

RECORD OF THE MEETING OF THE
LEGISLATIVE COUNCIL
HELD IN STANLEY ON
28th MAY - 2nd JUNE 1994

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**ADDRESS BY HIS EXCELLENCY THE GOVERNOR
TO THE LEGISLATIVE COUNCIL ON 28th MAY 1994**

I am very pleased to present the Government's report to Legislative Council for the second time during my term of office.

Perhaps I could begin with a word about this report. I have tried to keep it shorter this year, and I have also tried to exclude figures from the spoken text because I believe they glaze the mind. But I have asked Departments for statistics of their workload which we intend to publish with the report as Annexes.

The administration believes that this report should be an opportunity to give Councillors and the public in the Falkland Islands a clear account of what their government has been up to during the past year. The report will also serve as a record for the Houses of Parliament in Westminster of events in the Falkland Islands. For the first time as far as I know, last year in response to a question from a Member of Parliament, the text of the Governor's report was placed in the Library of Parliament. This will be repeated this year and no doubt in years to come. And it is another reason for ensuring that our report is full, factual and well illustrated.

By and large I think the past year has been one of steady progress. With careful financial management we have ensured that most of the money government has spent has remained within the Islands. We have seen a very successfully arranged General Election and one which received very favourable coverage from visiting journalists, including the Editor of the Buenos Aires Herald. We have seen the first ever visit by a British Foreign Secretary and I believe a remarkably successful one. I think that Mr Hurd saw this visit as in some way a homecoming and was genuinely moved by the warmth of his welcome and by the very British character of these Islands. In addition we have had the first ever Chilean Parliamentary Delegation who were impressed by what they saw, a delegation from the House of Lords, sponsored by the Ministry of Defence, and numerous visits by journalists. As I said last October when I spoke at the opening of LegCo, I believe it is important that we put our case politely but firmly in Latin America and I was pleased to see that Councillors did this when they wrote to the President of the Argentine Senate correcting some remarks he made at the Inter-Parliamentary Union meeting in March. We also saw a delegation from the Islands attend the Fourth Argentine-British Conference at Mendoza in Argentina. I know from reports from the Embassy and others that they made a very strong impression on all who were present. I believe it is beginning to dawn on a widening circle of Argentines that the wishes - I repeat the wishes - of the Falkland Islanders cannot simply be ignored and the destiny of these Islands be decided between Britain and Argentina.

Last year also saw the opening of the Outer Conservation Zone to fishing. This was followed by the formation of a Falklands company which chartered two vessels to undertake longline fishing for toothfish. This company is now moving on to look at the processing and direct sale of fish. I welcome this as an important move forward in increasing our participation in the fishery and in encouraging the various companies working in the fishing industry to cooperate with one another.

Mention of fishing leads me to one shadow on the horizon. That is the very disappointing illex harvest this season. As Honourable Members will know we have had to close the illex fishery ahead of time this year in order to conserve the stock. It is encouraging that following approaches on the scientific net and from the British Embassy, the Argentine Government has taken parallel action to close their illex fishery too.

Conservation is a question we are going to have to watch very closely in the years ahead.

Until serious squid fishing began in the Argentine zone - that is until a couple of years ago - Argentine waters effectively acted as a reservoir of uncaught squid. Now that squid fishing is taking place in our waters, in Argentine waters and on the high seas, the danger of the stock becoming fished out is very much greater. We shall need to act very responsibly in the years ahead and try to convince others in all our interests to do so too.

I shall now turn to the reports from individual Departments.

TREASURY: THE HON DEREK HOWATT

The Treasury continues to review the fiscal and economic policy for the Falkland Islands and the Financial Secretary will be proposing some unexpected but welcome changes to the levels of taxation in his budget presentation.

During the past year the Treasury welcomed Mrs Danuta Valler on transfer from the Agricultural Department to the position of Accounting Officer vacated by Mr Nigel Dodd on his transfer to the Philatelic Bureau. There were no other staff changes and this stability continues to contribute to the effective operation of the Treasury function of government.

The tax reform exercise is nearing completion: The Taxes Bill 1994 was published in the Gazette on Thursday 26 May and will be on the Order Paper for the next meeting. The Tax Review Committee, ably assisted by our overseas consultants, are to be commended for all their hard work in successfully completing a thankless task.

The review of the Old Age Pensions Scheme is well underway now that a Review Committee has been formed with Councillor Cheek in the chair. It is planned that the review will be completed in time for the provisions of a replacement Old Age Pensions Ordinance to be brought into effect on 1 July 1995.

Unfortunately work on the Tax and Old Age Pensions reviews has delayed a review of the occupational pension schemes for government employees. It is planned to start this review process once most of the work connected with the review of the Old Age Pensions scheme has been completed.

A considerable amount of Treasury time and effort has been taken in examining the options on the elements of a financial regime to be introduced for oil development. In future years it is expected that this aspect of work will demand greater resources.

The Central Store has now completed its move to new premises at Gordon Lines and all stocks are now situated on one secure site. Central purchasing has been expanded using the Central Store for all departments' requirements and project materials. This should enable Government to take advantage of bulk purchasing economies and improved storage at the new premises. It is planned that the Central Store should take over most of the unallocated mechanical stores from the Public Works Department to improve purchase and supply accountability and efficiencies.

THE SECRETARIAT: CHIEF EXECUTIVE, THE HON RONALD SAMPSON GOVERNMENT SECRETARY, MR PETER KING

There have been various staff changes and promotions throughout the year. There have also been exchanges between the Secretariat and FIGO in early 1994 and attachments to FIGO, from which both sides have benefited.

A pleasing achievement for the Secretariat has been the completion of the first draft of General Orders which has now been considered in detail by the Civil Servants' Association. It is expected that the final draft will be submitted to the Governor for approval in June.

The scheme for the sale of Government houses to sitting tenants resulted in the sale of seven houses; three other properties were sold by public tender. Proposals for the extension of the house sales scheme to other property will be presented to Executive Council shortly.

The Tender Board met on 45 occasions (up to 10 May) to consider the award of contracts for works, services and offers received for the sale of assets. Secretariat staff attended over 120 meetings during the year plus a number of other ad hoc groups.

The Secretariat has also coordinated the following visits:

Mr Mark Shrimpton from Community Resource Services of Newfoundland who presented a one week training course/seminar on Islands and Offshore Oil in July 1993. This was attended by a number of Councillors, government officials and by the private sector. It has been followed up by a group visiting Newfoundland in May this year.

Dr Phil Richards of British Geological Survey and Mr David Rose of Aberdeen University briefed Councillors and Government officials in November 1993 on oil related matters including proposed fiscal regimes.

Mr Bill Butler, until recently Head of the Oil and Gas Division of the Department of Trade and Industry, visited in April 1994 to advise FIG on the administrative infrastructure required to progress oil matters to a licensing round. Mr Peter Prynn of Environmental Resources Management visited in March 1994 to advise on the social and environmental impacts of an oil industry. Reports from both Mr Butler and from Mr Prynn are to be presented.

In connection with the recent introduction of Annual Staff Reports the Establishments Secretary attended a 2-day course on Staff Appraisal run by the Foreign Office in September 1993. She will also attend a course leading to a Certificate in Personnel Practice at the Civil Service College, Sunningdale, in September/October 1994.

A computer/word processing workshop was organised by the Establishments Secretary in response to requests made in staff reports in February 1994. This was attended by approximately 40 government officers. A similar workshop took place this month. A computer database has helped to keep more accurate records of unestablished staff in each department and a database for all established staff is now being introduced.

Most overseas recruitment has been achieved in liaison with FIGO, but the New Zealand State Services Commission have proved very helpful in interviewing candidates from New Zealand and recently the Establishments Section has established a link with the British Consulate General in Sydney Australia, who are currently assisting in the recruitment to a post for the Department of Agriculture.

The total number of established staff at May 1993 was 213, and of unestablished 248.

LEGISLATURE DEPARTMENT

1993 once again proved to be a busy year in this Department.

Following Mr Anton Livermore's selection for the post of London Representative, Mrs Claudette de Ceballos has been appointed to the post of Clerk of Councils. May I take this opportunity of welcoming the new Clerk to her first meeting of LegCo. Her's is a key role and I know from her work of the two meetings of Executive Council that she will be a credit to the post.

Eleven meetings of Executive Council were scheduled for the 1993/94 year, 10 of which have taken place. 429 papers have been considered and 13 items of subsidiary legislation made during that period.

Legislative Council met on two occasions and 12 Bills were passed. The present meeting will be the third meeting and today 12 Bills are on the Order Paper for consideration.

The British Political Party Conferences in September and October 1993 were attended by Councillor Norma Edwards and Mr Anton Livermore. Also in September the 39th Commonwealth Parliamentary Association Conference was held in Cyprus and was attended by Councillor Kevin Kilmartin and Mr Anton Livermore. This meeting took the decision to transfer the Falkland Islands from the Caribbean, Americas and Atlantic Region to the British Isles and Mediterranean Region. A Falklands delegation which included Councillor Norma Edwards and Mr Anton Livermore attended an oil related training programme in Newfoundland in April 1994.

In October a General Election was held amid considerable interest from the British and Latin America media. Their impressions were wholly favourable and it is worth recording that the turnout figure for voters was 88% overall. A visit by Chilean Parliamentarians took place in January and February this year and proved very successful.

The 25th Commonwealth Parliamentary Association Regional Conference is scheduled to take place in June in the Isle of Man and Councillor Eric Goss will attend. The 40th CPA Conference will be held in Banff, Canada, in October and Councillor Cheek will attend.

Preparations were in hand for a visit to the Islands by British Members of Parliament in November 1993 but this was unfortunately cancelled because of circumstances in Westminster. A Parliamentary Delegation sponsored by the Ministry of Defence visited the Islands between March 8-12 and were able to meet Councillors. They reported very favourably in a debate on Defence in the House of Lords on their return.

FISHERIES DEPARTMENT: MR JOHN BARTON

In the Fisheries Department and the fishery in general, the last year has once again seen a high degree of uncertainty. This has been in part due to changes in the pattern of recruitment and distribution of the two main squid species, and partly the result of further developments in the Argentine fishery. The agreement reached at the seventh meeting of the South Atlantic Fisheries Commission last October was viewed as satisfactory by Britain, Argentina and the Falklands, which was no mean feat. This resulted in the opening of the FOCZ at the start of this year, and assisted in securing licence revenue of some eighteen million pounds.

During the course of the year two Fisheries Department activities have been successfully privatised: FIPASS which has been leased to the Falkland Islands Company, and the provision and operation of a harbour launch. These developments have resulted in useful savings to the Government as well as creating opportunities for the private sector.

Further progress has been made towards developing a domestic fisheries sector. The revised fisheries policy for 1994, has been generally welcomed and has given impetus to local businesses seeking to increase their involvement in the fishery, and supporting services. The formation of a consortium of local fishing companies to exploit toothfish in the FOCZ is an exciting development.

On the scientific front there has been a welcome increase in contact with research organisations in other countries who are working on similar problems to our own. This has included participation in a research cruise directed at Illex by a Russian survey ship, a visit from Dr Jackson, a squid biologist from the University of Western Australia, and participation in a major conference on Southern Ocean Cephalopods held in Cambridge. Joint research cruises between Britain and Argentina on both squid and finfish resources have continued.

Developments for the year ahead are likely to focus on the South Atlantic Fisheries Commission. It is hoped that a longer term agreement on fisheries can be achieved to introduce some stability. The signs from the most recent Illex season, which is the worst on record, are that there will have to be further difficult negotiations on Illex conservation.

CUSTOMS AND IMMIGRATION DEPARTMENTS: MR ROBERT KING

The Customs Department and Immigration Department were amalgamated on 1 March 1993. Over the past year cross training of officers has made good progress, resulting in enhanced flexibility of manpower resources and efficiency.

During the period 1 July 1993 to 25 April 1994, over 1,200 vessels were recorded entering Falkland waters, principally for the transhipment of fish and squid, a 10 per cent increase in comparison with the previous year.

The Department has dealt with 3,500 persons arriving by air and 514 by sea. There were also 3,296 departures by air and 358 by sea.

Twenty nine cruise vessels visited the Islands during the summer season, carrying almost 6,000 passengers.

The revenue estimate for Customs Services and Harbour Dues of £780,000 is on target. However an expected shortfall of some £50,000 in revenue from import duty will mean the estimated income of £500,000 will not be achieved.

DEPARTMENT OF AGRICULTURE: MR OWEN SUMMERS

The highlight of the Department's activities took place on 15 March when the first sale of National Stud Flock progeny took place at Goose Green courtesy of Falkland Landholdings. Some 250 animals of varying quality were auctioned raising almost £40,000. This was not only the first auction of National Stud Flock stock - we believe it is also the first stock auction of this size in the Falklands. The Department hopes that it will expand in the future to include stock from farms.

This coming financial year will see the end of the Agricultural Grant Scheme in its current form. The Department believes that this scheme has assisted the majority of newly subdivided farms to establish the essential infrastructure necessary to carry out the day-to-day running of a sheep farm. In looking forward to the future we recognise that a newly formatted grant scheme is probably necessary. It should however focus more toward projects which provide some diversification in farm incomes and also on those which provide a good return on investment.

Veterinary matters have played an important part in the Department's activities during the past twelve months. We have finally been able to declare the Islands free of Brucella Ovis and we therefore now only need to monitor the situation by random sampling on an annual basis. The Hydatid campaign is less of a success story unfortunately. Despite regular dog dosing, dog control and offal disposal we still see signs of this disease in the Falklands and after a survey of all dogs in the Islands some new proposals for the tightening of current legislation and dog control are being introduced. Because this disease is a zoonotic one - that is one transmitted to man from dogs - it is hoped that everyone will support the Department in coming to grips with the problem.

Agricultural training has over the past year or so begun to taper off. This is not through the lack of FIG commitment but because demand from the farmers has decreased. Last year however saw the first major efforts to provide an adequate level of support for training shearers, and especially those associated with contract gangs. This support came from the

Department of Agriculture in the form of a beginner's scheme and from FIDC in sponsoring a New Zealand shearing instructor to visit the Islands to provide instruction for all levels.

The research effort of the Department has over the last year been reduced and it has been a year of finishing off the loose ends of previous projects before embarking on the next stage of the white-grass and tussac work. Several staff changes have also taken place within this section and during the last 18 months the budget review saw research staff cut from 5 persons to just 2.

Whilst this summary has covered some of the main activities of the Department there are always those of a more routine nature such as clinical veterinary work, regulatory functions such as imports/exports of both animal and plants, animal welfare and advisory work associated with farm management.

ROYAL FALKLAND ISLANDS POLICE: SUPT KEN GREENLAND

The Royal Falkland Islands Police have endured a prolonged period of overstretch resulting in a real risk of losing longer serving officers. These officers should be the cadre around which the Force would hope to develop to meet oil related problems in the future. The timely decisions by Executive Council to approve the provision of new Police buildings and a modest increase of manpower have breathed new life into the service.

Policemen and policewomen now look forward with keen anticipation to providing once again a 24 hour patrol and response service as well as an enhanced investigation service. They have struggled hard to maintain an acceptable detection rate during a period which has seen a marked aggravation in the seriousness of crime, particularly in relation to commercial premises, and they have been moderately successful in this. The detection rate of burglaries and thefts, however, at 25 per cent and 19 per cent respectively, have been disappointing, and an early priority for the new resources will be the improvement of these figures. It is certainly anticipated that the return to 24 hour patrolling will lead to a reduction in the incidence of burglary, and that the expansion of the Criminal Investigation Department will enable the current practice of early weeding of some cases to be abandoned.

The Chief Officer has been very conscious of the precarious position which the Force has occupied for the past 3 years and in addition to thanking the regular officers and staff for their stamina, he would particularly like me to commend publicly the members of the Police Reserve who have regularly given up their spare time in the service of the public. There is no doubt that they have enabled the force to meet unexpected demands, including the recovery of Argentine remains at Pebble Island in the New Year - an unpleasant task which they performed with commendable spirit and fortitude. The Royal Falkland Islands Police are also grateful to the members of the Police Advisory Committee for their encouragement and support during a difficult year, and look forward to further dialogue with a body whose standing and role they would very much like to see expanded.

FALKLAND ISLANDS FIRE AND RESCUE SERVICE: MR MARVIN CLARKE

The Department has seen an increase in retained Firemen from 22 to 30. The effectiveness of the Department relies entirely on the committed services of these volunteers.

A rigorous training programme is followed to ensure that a reasonable level of service is provided at all times.

Whilst advice and guidance on matters of fire safety are given, the aim is to adopt legislation suited to the Falkland Islands which will ensure all developments are treated fairly and consistently.

FALKLAND ISLANDS DEFENCE FORCE: MAJOR BRIAN SUMMERS

A very successful training camp was held during November at the Murrell River Range, with the kind assistance of Mr Lee Molkenbuhr and the Scouts.

Training continues on a weekly basis with an average of 35 members attending. Members also participate in the BFFI exercises by providing the Orange Forces.

The Permanent Staff Instructor is coming to the end of his second contract and will be transferring to local conditions. A General Assistant has been employed to assist the PSI.

The defence of the Stanley area has been reviewed; a realistic role for the FIDF has been identified; an exercise to test these defences will be conducted during late July.

CIVIL AVIATION DEPARTMENT: MR GERALD CHEEK

Stanley Airport saw the arrival of the British Antarctic Survey's DASH 7 aircraft in January and this aircraft carried out a number of proving flights between Stanley and Rothera. In the 12 month period April 1993 to March 1994 the Airport handled some 3,100 aircraft movements and 6,000 passengers, 600 of these being on the Aerovias DAP service to Chile.

Work on the clay airstrip at Fox Bay is nearing completion, and it is hoped that this strip will prove operational throughout the year. The construction of the clay airstrip on Sea Lion Island by the Royal Engineers had to be postponed last summer, but plans remain to undertake this project during the 1994/95 summer season.

Objectives for the coming year include obtaining the bearing strength measurements on the runway at Stanley Airport and producing an aerodrome obstacle chart. These two items were identified by a visiting Civil Aviation Authority inspector as being safety criteria deficiencies as detailed in the International Civil Aviation Organisation annexes.

FALKLAND ISLANDS DEVELOPMENT CORPORATION: MR MIKE SUMMERS

The fourteenth of July this year will mark the Tenth Anniversary of the first meeting of the Board of FIDC. I congratulate the Chairman, the General Manager and all members of the Board on a very productive first decade.

The past year in FIDC has been no less active than previous years, despite continuing uncertainty about the level of economic activity. Over 50 applications for assistance were processed with the level of expenditure on economic development close to the £1.25 million projected. Major loan approvals during the period were for a substantial expansion to the hydroponic garden operated by Stanley Growers, for a squid drying plant to be built by a Falklands/Taiwanese joint venture, and for the construction by LMW Ltd of low cost houses for re-sale under the new private House Building loan scheme. This scheme has proved itself this year to be a major contributor to private sector house building.

Looking forward to 1994/95 FIDC will concentrate its efforts on rural development, improving revenue from tourism activities, and increasing the participation of local companies in catching, processing and marketing fish and squid.

The Draft Rural Development Policy issued in January this year highlights some particular issues which must be addressed. Re-population of the rural areas requires the positive will of the Camp population to allow it to happen and perhaps the creation of special development areas in camp settlements; providing land to new settlers in Camp is critical.

Improvements to sheep farming outputs have been achieved, but may not be sufficient to sustain a full camp population in the longer term, and other activities will need to be absorbed. Our slow start to diversification needs to be nurtured and sustained. The opportunities for fish processing in Camp need careful consideration.

Overlaying several of the current and future development issues (including opportunities for local companies in the oil industry) is the requirement for a studied and rational approach to immigration for both short-term contract workers and longer-term residents. This is an issue which affects us all, and has implications for social, political and economic development, and must therefore be treated with sensitivity and with vision. The formulation of a clear policy on immigration is required as a precursor to many other decisions and programmes.

In June 1994 Mr Ian Cox completes a 5 year term as Assistant General Manager at FIDC. His contribution and his achievements in this time have been substantial, and we owe him great thanks for his support to businesses and to development policy in the Falklands. He will be succeeded by Mr Ian Dempster.

EDUCATION DEPARTMENT: MRS PHYLLIS RENDELL

Infant/Junior School

The requirement for improved infant facilities and a purpose-built pre-school was reinforced when a reception class of over 30 children enrolled for the 1994 school year. The Board of Education has put forward recommendations for an extension to the Infant/Junior School and it is proposed that funds be provided in the next capital budget for additional classrooms.

A staff room extension to the Infant/Junior School has recently been completed, considerably improving working conditions for an increased staff.

The primary curriculum has continued to be developed under the leadership of Head Teacher Mrs Smith, while staff benefited from local in-service training in March given by a visiting specialist.

Camp Education

The falling number of people with children living in the larger settlements has led to a decision to close, for the time being, Fox Bay School. There are 20 individual farms requiring visits by travelling teachers and radio lessons. The use of telephones for lessons is being explored while consideration is being given to utilising the television network for educational purposes. Mr Fogerty, the Camp Education Supervisor, and his staff worked closely with Stanley Schools over curriculum development and pupil transfers from and to Camp.

Stanley School Hostel

Boarding numbers have increased at the Hostel from 28 to 45 this year. Use of a flat in Stanley House by parents from Camp has encouraged them to be involved in day-to-day activities and the head of hostel, Mrs McGill, has greatly appreciated parents carrying out houseparent duties during recent staff absence.

Falkland Islands Community School

The Community School has now been in use for a full academic year under the headship of Mrs Crowe. The excellent GCSE results for 1993 qualified 15 young people for further education overseas. (Students need to gain 5 or more passes at Grade C or above to qualify. Fourteen students are intending to study at Peter Symonds' College in September this year.

The Education Board has recommended, and ExCo has agreed, that the school leaving age should be raised to 16 starting in 1995. The amendment to the Education Ordinance will be debated at this meeting. Eighty six per cent of pupils remained in full-time education this year to complete GCSE courses and we believe that the new school can offer a wide range of courses for all abilities up to the age of 16.

Overseas Training

Twelve students are at present studying A level equivalent courses at Peter Symonds' College in Britain, while 13 students are enrolled on first degree courses and 3 are studying at post-graduate level. Advantage is being taken of scholarships funded by agencies outside the Islands for some of these further studies. Students are encouraged to gain experience overseas after completing training wherever possible, but as more return with higher educational qualifications, we shall need to plan carefully to make the best use of our home grown expertise.

POST OFFICE AND PHILATELIC BUREAU: MR J STEPHENSON

Sales of stamps continue at much the same level as last year. The unfortunate cancellation of some tourist boats plus at least one calling without passengers getting ashore meant a loss of revenue, but improvements elsewhere compensated for this.

The introduction of electricity meter cards has proved popular and sales are increasing.

Philatelic Bureau

The introduction of three definitive issues - Falkland Islands, South Georgia and British Antarctic Territory this year has boosted sales. The issue of several commemorative sets has proved controversial, both in number and content.

The more aggressive sales policy alluded to last year, whereby Crown Agents are actively taking part in areas of the world hitherto neglected - Hong Kong and the forthcoming PhilaKorea being a case in point - plus stamp overprinting for these events is, as expected, raising eyebrows among traditional philatelists.

It is apparent that there is a more general awareness of stamps and their value in promoting an image of the colony. The Post Office/Philatelic Bureau are attempting to use this to advantage by encouraging local artists or the general public to come forward with ideas for future issues.

FALKLAND ISLANDS BROADCASTING SERVICE: MR PATRICK WATTS

Despite the limited staff numbers and the stringent cutbacks in the budget which hit FIBS very hard, the Station continued to meet its commitments throughout the year with numerous weekend and holiday functions and events being covered.

The visits of the Minister of State and the Foreign Secretary were covered in full, while the winter fortnightly phone-ins also provided some interesting debate, particularly on the subject of oil. Last October's General Election required many hours of time in recording and editing candidates' speeches, but all the deadlines were met in this respect, while the introduction of candidates' debates was a success.

FIBS and BFBS continue to work in harmony through their now 12 year old joint operation. The return of Chris Pratt as Station Manager at BFBS is welcomed. While it is appreciated that a vast majority of the Forces are pop music orientated, the loss of the 30 minute news magazine broadcasts on the MPA exclusive transmitter at 8.30 in the morning is regretted, as it often carries reports on search and rescue, casevacs, parades, and other activities which the

Services regularly undertake, and which sometimes are not widely known about in Mount Pleasant.

The contribution to FIBS programming by its voluntary presenters is valued with Variations, Pot Luck, 20 Questions, Folk Music Show and the Winter Quiz all benefiting.

Finally the departure of Assistant Producer Mrs Wendy Teggart to FIDC will be greatly regretted. During her four and a half years stint Mrs Teggart was recognised as a very valuable member of staff and her contributions to the regular news programmes, plus her darts commentary skills will be greatly missed.

FALKLAND ISLANDS GOVERNMENT AIR SERVICE: MR VERNON STEEN

FIGAS continues to provide the community with an efficient and reliable means of communication throughout the Islands.

The year has seen a small growth in domestic traffic, predominately in airfreight carried. Fishery Patrol recorded another successful year's surveillance in the Falkland Conservation Zones.

All sections of FIGAS have striven to maintain the high level of efficiency for which the service has become renowned, often having to operate in extreme conditions. With the Camp road project gathering momentum in the year ahead may see a downturn in the number of residents using the service. However this may be offset by a projected increase in tourists travelling to the Falklands during the 1994/95 season.

FALKLAND ISLANDS GOVERNMENT OFFICE: MISS SUKEY CAMERON

The Dependent Territories Conference was the high point of the year. After many months of planning the Conference was deemed a great success and generated an enormous amount of interest, including a debate on dependent territories in the House of Lords in January. Ways are now being explored to build on the framework that has been laid.

The office has attended or organised many events throughout the year which have assisted in the continuing promotion of the Islands. The Representative has travelled to Wales, Scotland and Gibraltar and the Falkland Islands Tourist Board were represented by the Deputy Representative at the International Tourist Exchange in Berlin. A Press visit to the Islands to cover the Elections in October, partly sponsored by FIG, was organised by the Deputy Representative and resulted in a number of positive articles.

The Falkland Islands stand at the Party Conferences, with Councillor Edwards and Mr Anton Livermore, attracted the usual high level of interest. As one of the long-established stand holders the Representative was honoured to be asked to give the vote of thanks at the Exhibitors Reception at the Labour Conference.

Mr Graham Bound finishes his two year contract as Deputy Representative in June and will be replaced by the Representative designate, Mr Anton Livermore.

The Annual Reception in June will be a special event this year with the attendance of His Royal Highness Prince Michael of Kent who, in his capacity as President of the Council of SSAFA, will be accepting a cheque for over £50,000 being the monies raised from the supplement on the sale of the Liberation Stamp Issue. The Foreign Secretary has also indicated that he may attend.

During the next financial year the Office will be maintaining its current objectives but with increasing activity in promotion, public and political relations.

PUBLIC WORKS DEPARTMENT: MR BRIAN HILL

The Public Works Department continues to maintain the public services, Government assets and infrastructure of the Falkland Islands, and strives to achieve efficiency with economy. In this the Director is ably assisted by over 140 dedicated staff from labourers to craftsmen, and from junior clerks to chartered professionals, all working as a happy team.

The Department's own labour force has constructed more housing and offices and the North Camp Road. This road which is being built towards Port San Carlos had reached Hope Cottage near Douglas Station by the end of this season.

The Asphalt Laying Team successfully completed a contract with the Ministry of Defence to lay tarmac on the last sections of the MPA Road. In addition to work on Fitzroy Ridge, the team has tidied up areas in Stanley such as Holdfast Road and the end of Moody Street. Pony's Pass Quarry was connected to the main electricity supply, as was the Dairy, and this will produce significant savings in fuel. The PWD workforce, in addition to constructing new assets and producing water and electricity for Stanley, maintain essential services such as roads, drains and footpaths, and keep government buildings in an effective state of repair.

PWD also arranges for work to be carried out by contractors in the private sector, and the success story here has been the construction of nearly 19 km of road in West Falkland by White Rock Limited of Port Howard. On a small scale, but no less of a success, has been the construction of a new staff room in the Junior School by Paul Chapman of Stanley Decorating Limited. This firm is also currently installing new bay windows in the Sheltered Accommodation which PWD are overseeing on behalf of Sir Jack Hayward. Amongst other work in progress by contract is the installation of new drainage for Lookout Industrial Site, refurbishment of the Public Jetty, installation of street lights and maintenance of the park areas.

The amalgamation of the Building Control Office with the Planning Office has had an immediate benefit for all would-be house builders and developers. Instead of dealing with two government offices, enquiries to build are now dealt with at a "one stop shop" where it has also been possible to reduce the number of documents needed for applications for consent. The Building Control Office has continued to provide assistance to both designers and builders, principally by making available detailed drawings showing preferred methods of construction and manufacturers' literature from the office's extensive technical library. Assistance to the public with drawing and document preparation has again figured highly.

The Draft Town Plan has now been prepared and is to be the subject of public debate. The arrangements for public consultation will be agreed by the Planning and Building Committee and there will be announcements nearer the time when this exercise is to be carried out.

In the forthcoming year, and subject as always to funding, road works will continue in Stanley and on both East and West Falkland, by the PWD road team, by contract and by self help schemes. Serviced housing plots will be developed for sale.

Some government buildings will undergo badly needed refurbishment. In addition we shall supply high quality drinking water, electricity, and all those other services which help to give the Falkland Islands a high standard of living.

THE FALKLAND ISLANDS MUSEUM AND NATIONAL TRUST: MR JOHN SMITH

The Museum has seen another highly successful year with over 4,800 visitors passing through. It has proved to be one of the most important public relations assets that we have. Thanks to the Public Works and Power and Electrical Departments, Holdfast Road is now surfaced and lit. It is hoped that Councillors will approve funds for the refurbishment of the exterior of the building. It is also hoped that approval will be given for the provision of a purpose-built Archive. The building in which the archives are presently stored, besides being a grave fire risk, allows no facilities for public research or document conservation work to be carried out.

Now that the initial phase of converting Britannia House to a museum is completed, work has begun on the next step. This requires the preparation of a computer database for records linked with an inventory of the several thousand items held in the Museum, a long and time consuming task but necessary for the proper management and accountability of such a unique collection.

It is encouraging to see a considerable increase in awareness of the Falklands heritage. Initiatives now come from a wide section of the public with the Museum and National Trust as an umbrella under which several related bodies are brought together - Archives, Wrecks and Hulks, Buildings, the Lighthouse and the Alastair Cameron Memorial Trust. The principal aim is not only to gather information but also to make it as readily available as possible. This is working well at all levels. There is as always considerable involvement with the Education Department - from the Infant Junior level to work experience by some of the senior students. There is also much support from the Camp showing that the Museum is an essential component of our community structure. This is a healthy sign of an increasing sense of responsibility in preserving reminders of our rapidly changing way of life.

Work is currently in hand for an exhibition next year commemorating World War II in the Falklands. Another more immediate task is how to break the news that the guns on Canopus Hill did not come from the Canopus but were landed in 1917 from HMS Lancaster. History will have to be adjusted.

MEDICAL DEPARTMENT: DR ROGER DIGGLE

The routine work of the Medical Department continued during the year with little significant variation in spite of the economies required during the budgetary crisis.

A new Joint Operative Agreement and Cost Sharing Agreement valid for 5 years was negotiated with the Ministry of Defence. The number of military staff in the hospital will reduce to a total of 8 by April 1996. These will consist of the Surgical Team plus the Radiographer, the Laboratory Technician and the Electronics Technician. The reduction in the military staff not only saves both the Ministry of Defence and the Falkland Islands Government significant sums of money, but also creates opportunity for local employment. So far 5 posts have been filled by local staff.

The Medical Department has always felt that preventative medicine is the way forward and this year sees an important step in the battle to reduce deaths due to cancer. In collaboration with St Marks Hospital, London, Dr Barry Elsbey started a screening campaign to detect the pre-cancerous stage of colo-rectal cancer. This has so far been very successful and early indications are that between 2 and 3 times as many polyps are being detected than was anticipated. A significant number of these polyps would have developed into cancer and this risk can now be eliminated.

Social welfare provision has dramatically changed over the last 18 months with the introduction of the unified policy which includes the Special Employment Scheme - a clearly defined set of welfare payments including attendance allowance for care of disabled people.

Sheltered Housing has been extended to include the bungalows on St Mary's Walk and this has greatly improved the help we are able to offer.

The Asthma Clinic was so successful that we have followed on by starting a Diabetic Clinic which was aided initially by a visiting Consultant from London. Following the publicity surrounding the Clinic a significant number of previously undetected diabetics were discovered. There is now a thriving Asthma Support Group and a Diabetic Association to provide sufferers with information and mutual support.

ATTORNEY-GENERAL'S CHAMBERS: MR DAVID LANG

During the next financial year the Attorney-General's Chambers will be moving from the Secretariat building to Cable Cottage next door. Besides providing more working room for the staff of the Chambers, the move will release accommodation in the ground floor of the Secretariat building for use by members of the Treasury and Income Tax Office who are working in extremely crowded conditions.

A major task occupying much of the Attorney-General's time during the past 12 months has been the preparation of draft oil legislation which has involved detailed discussions with our consultants and United Kingdom Government Departments. We hope to open a licensing round towards the end of the present calendar year. Before that can happen, the necessary enabling Bill must be enacted, and a lengthy set of regulations - the so-called Model Clause Regulations - relating to the terms and conditions of licences will have to be made. Subsidiary legislation associated with petroleum exploration and exploitation will follow. These matters will form part of the workload of the Attorney-General's Chambers for the indefinite future depending on the results of oil companies' operations. There may be staffing implications which in due course Elected Members will need to consider.

The Chambers, consisting of two lawyers (the Attorney-General and Senior Crown Counsel) and two secretarial staff, deal with all the legal work of the Falkland Islands Government. Besides work in the civil and criminal courts, agreements and contracts, land transactions and legislative drafting, this includes providing legal advice to Honourable Members, other government departments and members of the public on a large and diverse number of topics every working week.

The other part of the Justice Department is in the Town Hall - the Courts and Registries. As Honourable members are aware, the present Senior Magistrate, Mr Andrew Jones, three months ago replaced Mr James Wood who left us to seek a judicial appointment in England. Our courts have the same sort of jurisdiction and powers as the courts in England. They believe that justice delayed is likely to be justice denied. Persons accused of offences here do not languish for years or months in custody or on bail while awaiting trial. Equally, in the conduct of civil litigation (some of which is conducted under the spotlight of international publicity), we are all concerned to see matters resolved speedily, efficiently and in the best traditions of British justice.

We are grateful to our justices of the peace for the valuable role they play in the Summary Court in the administration of justice. Mr Wood provided training to the justices in relation to their functions and Mr Jones intends to continue this. We hope that justices of the peace will play an even more important role in the administration of justice in the future.

An unsung part of the Justice Department is the Registry Section, headed by the Registrar General. Much of the Registrar General's time and that of her clerical assistant is taken up with court work. That inevitably has made it more difficult to cope with the increasing volume of work in the Registry Section. Properties, including houses, now change hands much more frequently. All the documents necessary have to be written up by hand in the registers, frequently several times. Information on the seller's title has to be provided to legal

practitioners, very often after time-consuming research. There is a Trade Mark Registry. Thousands of trade marks are recorded. There is no convenient register or index of them. This needs to be remedied. The Registrar General has in mind that eventually all her records will be available on computer or microfilm. But it will be an enormous task to achieve this.

The Registrar General is presently absent on training arranged with relevant British departments related to both her court and registry duties. She hopes that this training can be readily translated into the Registry here so as to benefit government and the public.

May I conclude the Departmental reports by publicly thanking all civil servants and members of the uniformed services of the Falkland Islands Government. I shall also wish - at the conclusion of the Adjournment debate to pay particular tributes to the outgoing Clerk of Councils Mr Anton Livermore and to the Chief Executive Mr Ronnie Sampson whose last LegCo this is likely to be. We are fortunate to have a well-qualified and efficient public service and one which is in my view very responsive to comments from the public or Councillors. Small is beautiful as Chief Minister Bossano reminded us, and a society like ours is one in which every citizen should feel that his or her views count - because they do count.

Finally I should like to add a word on military/civil relations, bearing in mind that this is the last session of LegCo which the present Commander Major-General Mackay-Dick will attend.

Once again civil/military relations have been excellent and once again I know I have the support of all members of the Council when I thank you, General, on everyone's behalf for the outstanding contribution which the forces under your command make to the life of the Islands.

The defence of the Islands is basic to our freedom and to our economic prosperity. Without the confidence which your forces provide, it is hard to imagine that we could administer our fishery zone or set out upon the path of oil development. But more than that, I should like to pay a tribute to the continuing efforts of British Forces in air-sea rescue, in casualty evacuation and in every aspect of our life on the Falklands.

Each year there are Islanders who owe their lives to the medical services provided by the military, and to the RAF's airbridge back to the United Kingdom. There are a far larger number of foreign fishermen who have been saved from death or serious disablement by the courage and skill of air-sea rescue crews and the men and women of the Royal Navy and Royal Fleet Auxiliary. I think particularly of the flights at extreme range to a sinking Russian ship last September and, to the rescue of the Chilean fishing boat "Friosur V" after a fire on board off South Georgia only three weeks ago. And there was a catalogue of less striking but nonetheless difficult and dangerous operations carried out around our coasts. These reflect great credit on the British Forces Falkland Islands, and we take a pride in their achievements. I should also mention a number of tasks in support of the civil community, from the path west of the Community School to work on the tennis courts of Stanley House. And we appreciate the military bands which enhance our State occasions and work hard during the rest of their tours with concerts, dances and visits to the schools. A sincere thank you to them. All these activities symbolise a spirit of civil and military cooperation which is as strong now as it ever has been.

We thank you General for the leadership which you have given and for your own commitment to good military-civil relations. You are no newcomer to these Islands and it has been a source of particular pleasure for us all to see a veteran of the 1982 conflict in command at Mount Pleasant. We look forward to welcoming your former Commanding Officer at the Battle of Tumbledown, now Major-General Michael Scott, on Liberation Day. I am only sorry that another former Scots Guardsman, Lord Whitelaw, was unable to be present, but he sent me a very appreciative letter regretting that he could not come.

We send you and your wife very best wishes General for your appointment as General Officer Commanding London District. The parades may be slightly grander than our own, the weather may be less boisterous, but I think you will miss our enthusiasm and friendly faces.

May I conclude by wishing Honourable members a useful spell in Select Committee. It may be a grind but it is important that elected representatives ensure that the people's taxes are honestly and sensibly spent. We shall meet again in a few days to conclude Government's preparations for the next financial year.

Thank you.

MOTION OF THANKS TO HIS EXCELLENCY ON HIS ADDRESS TO COUNCIL

The Honourable E M Goss MBE:

Your Excellency, Ladies and Gentlemen, Honourable Members. I would start first, it seems I have been pointed into this position, so I will make the move.

I will start at the beginning by thanking Canon Palmer for the opening prayers and I thank you for your very lengthy Address. This Council has now been in office seven and a half months and we have made some progress in the things that concerned us at the beginning, at Election time and I am happy to report to the people on Landholdings farms that they are under review who had visits from the Review Committee and some of the things that had concerned them have been answered and I feel they are happier and more settled now that that has been moving. We are about to start the Budget session looking at how efficiently we can spend the expected £18,000,000 but with the early closure of the illex fishery I wonder really if we should be trying to spend all that money. I think we should be thinking of salting a fair portion of it away. What I would like to see is that all the budget proposals put to us, we pare them down and crimp them down rather than get ourselves into a situation like happened about a year ago when Government went into crisis management. That's because they were over committed in their expected expenditure or expected revenue I should say but if we know we haven't got the revenue, it all depends on fish which is an iffy sort of supplier, then perhaps we should be salting some away in the next week or so or the next few days we are working on the budgets. That's the way I will be moving. Another welcome note in your Address was the efforts to establish a clear policy on immigration, long overdue and very welcome. It is interesting to note in the misfire in history you mentioned about the Canopus guns and I'm not as old as the Honourable Member on my left here but he said that he was never under a misapprehension about where the guns came from, but he was around obviously before me. I've made a little bit of progress and I don't think we have finalised it yet, in the widening of categories of vehicle registration. It's been a concern to a lot of members of public in Stanley, the way vehicles are taxed and progress has been made into widening the categories of vehicle registration and I have had a few phone calls of thanks for the efforts made in it but we haven't actually finalised it yet but by the end of this week we should be in that position, so I don't think I have anything more to say Sir, so I'll sit down and let someone else take the floor. Thank you.

The Honourable J E Cheek

Your Excellency, Honourable Members, I too thank you for your report, it was certainly more welcome than some I've heard over the last few years. I took particular pleasure hearing you use the word Colony instead of that rather nasty euphemism of a dependent territory. Certainly I'm not ashamed to say that I belong to this Colony and am part of it. Probably the one thing that isn't so pleasing was the comments on the illex fishery and the fact that we don't really know how good or bad it might be next year. Hopefully it was an aberration in the currents which caused the very poor catches rather than the heavy catches over the past few years. Unusually I have to say it was pleasing as you commented that the Argentineans have also closed the fishery south of 43° 30 degrees for the catching of illex from the first of June. I would also hope that they would be in future more positive about stopping illegal fishing. I don't think any of us have any definitive figures of how many boats have been fishing illegally

but in the major periodical in Argentina which writes on fishing, one of their reporters indicated to us that the Argentine Airforce had counted up to 150 illegal vessels. Certainly we believe there is a large number and I think it has to be stopped. The occasional sinking of a jigging vessel by the Argentineans will not stop, they have to have vessels out on a regular basis. I'm pleased to hear you mention longlining Sir, and in fact I can report that the first catch has been landed in Punta Arenas and has already been processed and sold under the name of Consolidated Fisheries, with that name stamped on the boxes. That is very pleasing for all of us, especially for those of us who are associated with the fishing industry.

The OAP Committee continues to meet and I think we are progressing. We had some input from the Public and I hope that our final report will be out before too long, certainly before the end of the year so it can come into effect by the middle of next year. I welcome your comments on occupational pensions within the Civil Service. I would like to see some legislation which would allow greater flexibility by introducing a system of transferring pensions throughout all employers in the Islands. I believe that this would give us much greater flexibility and movement of people from one employer to another.

The General Orders for Civil Servants - this is coming on well, as a Councillor and as a Member of the Civil Servants Association representing Civil Servant Pensioners, welcome it very much and look forward to them actually coming into force, although I must make one or two comments on this. These orders refer to Colonial Regulations and I think we have to have specific details of what regulations actually apply. One of the problems in the past for Civil Servants was that we didn't actually know, or the members didn't actually know, what the rules were. These orders will overcome that problem but where they refer to other orders, they themselves must be specified in detail.

The hydatid question is still posing a problem and it concerns me that legislation is not being enforced. I know people really need to be behind that legislation - I think generally they are and I think we need to do much to enforcing that legislation. It worries me that if we can't enforce that sort of legislation, how can we hope to control the oil industry when that comes along.

After a break of four years away from Education it's very pleasing for me to be involved as the Councillor with special interest for Education and I'm pleased to see it continues to progress. I don't think we've reached the ultimate there yet and certainly I am and I hope other Councillors will be arguing for a number of the things that you mentioned this morning. I don't think there's any doubt that they will happen especially the extension to the Infant/Junior School but I think that the degree of priority that has been indicated so far is not as high as I would wish. Peter Symond's School is still doing us extremely proud. When this year we dumped 14 new pupils on them, I think they had a semi heart attack but they have found accommodation for these children and those parents who are particularly keen that their students go to this school, I think will see that happen, I'm sure, will see that happen then that the whole 14 will be able to go there. You mentioned these children then going onto University and returning as professionals, I think a couple of departments have already made moves to ensure that when those people graduate, probably had some experience overseas there are the posts still available for them here. What we don't want to see is all the posts filled by Contract Officers taking permanent posts, as much as we welcome and need Contract Officers, we have to leave a number of those positions open for our own returning professionals. I think we have to think further ahead, when we have our own professionals in post we have to provide opportunities for them to go overseas on sabbaticals or however it is, to maintain their contacts with their own profession overseas which they cannot possibly hope to do here.

Lastly Sir, I'd like to mention FIGO and the Lincoln's Inn celebrations on the 14 June. I and certainly I think other Councillors were unhappy that a number of people are invited and at the same time asked to pay to come along. Just one name that came to mind as you mentioned, Mr Jack Hayward who has done a lot for this Island. I find it embarrassing that with his invitation - he receives a bill for whatever it is, £15-£20. That occasion is a tremendous PR

Coup for us and I think if everyone was allowed to go along there free, the cost of £3,000 or whatever it is, is well worth paying for that occasion. Sir, I support the Motion.

The Honourable Mrs C W Teggart

Your Excellency, Honourable Members, I'd also like to record my thanks to His Excellency for his very comprehensive roundup of the work of the government departments over the year. There are a few things that I'd particularly like to mention, the first thing I'd like to mention is another female face to the Council; I welcome Claudette to her new position, and thank the outgoing Clerk of Councils, Anton, for his work. It's always nice to see another lady round this table, maybe one day we'll outnumber the men. I imagine she's had a few anxious moments over the last few days anticipating this meeting and well I'd like to sort of give her some words of consolation and say that it isn't as bad as she thought it probably be. I very much fear that her involvement with the Legislative Council will be something that she couldn't imagine in her worst nightmares but I'm sure she'll have a very interesting time working with us all.

Moving on to the Medical Department - I have been particularly asked to mention today the bowel-screening campaign which has been undertaken. Some of my constituents have actually got in touch with me and said how much they welcome this, they'd like to see more of this sort of thing happening; and in particular the families of people who have polyps which in time could have turned to something far worse. I think that this sort of medicine is something that we should be looking at and I think that Dr Barry Elsby and the Medical Department should be congratulated on taking the initiative and getting this under way and I hope to see more of it. Also I think the asthma and diabetic clinics at the hospital are very very worth while and I hope they go from strength to strength. The surgical staff at the hospital, which is a military unit which works there, I think undertakes some excellent work on our behalf and I'd also like to commend them for the hard work that they do.

Touching very briefly on the Education Department - the Honourable Member for Stanley Mr Cheek has mentioned the extension to the Junior School as one of the priorities and I believe that this is something that we really seriously have to be looking at. I know a number of the parents are very concerned with the situation in the School and they are concerns that I share. It isn't unfortunately something that can be done immediately, there will have to be planning just what can be done and things are going to be sorted out I'm sure, but I think that that is something that should get underway just as soon as it is possible to do so.

The department for whom I have particular responsibility is the Public Works Department and I think that they have gone from strength to strength in the last year or so. The work on what started as the Estancia track has now become the North Camp road, they are doing some really good work out there. I think that something that has helped a lot is the stability of the workforce, the fact that they are all committed to the job they do, they enjoy what they do and there hasn't been such a big turnover of staff as there has been in the past and I think this all adds to the way that people work and get on together. A visit to the West track was something I enjoyed very much having lived out in the area where it ends for some time. It was absolutely amazing to see just how that is opening up the West and I hope that whatever happens we can continue our road building programme throughout the Falklands.

The draft town plan is before too long, we don't have a time yet but it is shortly to go to the public for their comments. I think that is something that is badly needed and the outgoing Planning Officer Andy Norrell put a lot of work into it, I'd like to mention him. We now have a combined Planning and Building Officer who I have quite a bit of contact with through my capacity as Chairman of the Planning and Building Committee and I think that when people actually go and see him and discuss what their needs are, they find him very understanding and I would encourage more people to do that rather than worry about any regulations, if they go and talk it over. They usually find it is not as bad as they think it might be.

The introduction, I think, of electrical meter cards was something I was very much opposed to when it happened but having had one for most of the last year I would imagine, I can say that I think that has been a very worthwhile move on behalf of the Power and Electrical Department. So to anyone who is very shortly going to have one of their meter cards fitted, I'd say that they work very well and they are a very useful addition to the services.

I also hope that something very soon is going to happen more positively on the hydatid campaign. This is a disease that we can eradicate, we don't need to have it. It concerns me greatly that there are reports of more incidents of hydatid disease in humans in the Falklands - it is something that is unnecessary, we can do without it and we have to get tougher.

Something that pleased me greatly this morning was to see the girls from the FIDF taking part in the Guard of Honour and their commitment is the same as that of their male counterparts and I think it's really nice to see them on parade and I hope they go from strength to strength.

We are just about to go into the Budget Session, we've got quite a busy week ahead of us. One of the good things I think about the Budget Session is that it is perhaps the time of year when we can get together with the Heads of different departments and they can actually put their cases to us verbally and it is all very well to sit down and read a paper and see what people want, what they feel the needs of their department are; but to actually be able to speak to them and have them explain the situation, I think is something that is of great advantage to us and it's something that I look forward to immensely. Sir, I'd like to record my thanks.

The Honourable W R Luxton

Your Excellency, Honourable Members. I thank you very much indeed for your very wide ranging report on the years events in the Colony and perhaps confine myself to the areas which are my particular interest which primarily is the road building programme and my congratulations to the White Rock Construction for the splendid effort on West Falkland but also to the Public Works Department for the wonderful achievement they've have had on East Falkland. I think probably a little competition between the private sector and the Public Works Department hasn't come amiss and they have both achieved remarkable results.

One thing you didn't mention Sir, was the formation of the FIGAS Users Group which has had one meeting and I hope that it will be a useful addition, because FIGAS is facing very large changes as you mentioned with the downturn in traffic with the building of the roads. In the temporary situations that we have with no East/West Ferry I think FIGAS can probably address this, I hope, next summer. There may be a possibility of running occasional organised cross-Sound ferry flights between the two nearest points to enable Stanley people to visit West Falkland on a long weekend and to utilise the thing, to fill the thing with passengers completely, allowing people from the West Falklands to spend a weekend in Stanley. I think that this is something that we will try to address in the Users Group and see if we can organise something along those lines. For the future I understand the Honourable Member for Port Sussex may be exploring the possibility of an underwater route to West Falklands but we'll, other than that, have to rely on the possibility of a ferry in the future.

I share the concern over the resurgence in hydatid - I think we may hear from the Chief Executive later that the figures aren't actually that alarming but the presence of it at all is very disturbing and we should go for eradication. Frankly, the present legislation is out of date and it needs to be completely overhauled and brought up to date to deal with the current situation as I think you said in your ExCo round-up really we should aim for a "carrot and stick" situation and go for complete eradication.

I too will support the very early extension of the Junior School, I think that should be a priority in a capital programme. The new Community School is a wonderful achievement but we also need to look at the situation the Juniors are in and give them a good grounding.

The Honourable Councillor Goss mentioned among others the downturn in the illex fishery - that concerns everybody but I don't share his view that we should panic over the current situation as has happened in the past. I think we can proceed with a reasonable but perhaps cautious budget and carry on with as much of our planned expenditure as we can. The revenue has come in this year despite the downturn, when we come to a situation where the revenue doesn't come in then I believe we have to address the spending. But we do have sufficient funds in the bank to act as a stop gap and until there is a definite downturn in the revenue because of a shortage of illex then I think we should continue with a steady expenditure programme.

We'll no doubt have two or three days of pretty intensive debate in Select Committee on this and other matters and I look forward to that. Sir, I support the Motion.

The Honourable Mrs N Edwards

Your Excellency, Honourable Members. Thankyou Sir for your comprehensive report on Government for this year. I too was delighted that the Foreign Secretary honoured us with a visit. Having met him a couple of times at the Party Conferences, I know that he showed an interest in coming to the Falklands but he said he thought it would probably be impossible due to his commitments so it was particularly nice and a very great honour that he should choose to visit us.

Like everybody else I am concerned about the Fisheries, I'm extremely pleased to hear that the Argentineans have closed their, or will be closing their, illex fishery early and we must hope that this is just a bad season. But I think we must also bear in mind that the possibility the illex fishery failing next year or the year after is a very real possibility, which if it happens we must face calmly, and I believe carefully, and we have the necessary reserves to tide us over a bad financial period as Councillor Luxton says and I hope that we don't cut back too drastically on capital expenditure or our every day expenditure until it is necessary. But if the worst happens and the illex fishery is not sustainable in future years, I hope we manage to see ourselves through that period without too much upheaval to our population and too many redundancies. I think that we must remember too that the illex fishery is not our only source of revenue, it's our biggest revenue earner I know but we have a loligo fishery and it's very important that we must take every care to protect that. Unfortunately squid are not an emotive animal: they don't have fur and they don't have a long trunk or anything so nobody really cares in the international world what happens to a squid, but at present our loligo fisheries are being sustained and are being looked after. However we have welcomed in recent years, bigger and bigger trawlers with heavier trawls and they are liable to rip up the ocean bed, once you've destroyed the habitat of marine life then it's pretty well impossible to expect the fish to stay around.

Which brings me to another concern of mine; I heard yesterday that krill is not being seen very much around South Georgia this year. Again it might be a bad year, but in the mid eighties I visited South Georgia and we passed through a fleet of Eastern Block trawlers scooping up krill like it was going out of fashion. That was going on when there were no controls in that area over the fisheries at all and I would respectfully suggest to the Foreign Office, as we no longer have jurisdiction over South Georgia, that they look carefully at the krill situation because if that is disappearing you are destroying the beginning of the ecological chain and it will affect the whole of the south west Atlantic, not just South Georgia waters and not just fish stocks, it will be wildlife as well that's disappearing. We have a Penguin Appeal at the moment with Mr Bill Oddie's face on the front of the Falkland Islands Conservation brochure and I was appalled that supposedly supporting the Penguin Campaign on BBC Television - a children's programme on a Saturday morning - he was very scathing about the Falkland Islanders and their lack of conservation care and I don't feel inclined to support Falklands Conservation if that is the way their spokesman behaves I'm afraid, and we do care about our conservation and I think that Mr Oddie should really visit the place and get his facts right before he makes statements on television like he has done.

Agriculture you mentioned, and diversification: the grants scheme has been invaluable and appreciated by all the farming community. However I would just say that we must be aware that the wool prices this year are only a full few pence above last years prices and still fall far short of making farms viable. Diversification intrigues me, we've spent many evenings and many long hours trying to think what we can diversify into, I've now got 93 ducks so may be you know we'll start duck farming in a big way and give up sheep - I don't know. But it is very very difficult in Camp with the everyday work of a sheep farm to sensibly diversify into something else. But there are possibilities and I'm willing to listen to anybody with any suggestions for the farming community for a reasonable means of diversifying.

Can I just mention the Fire and Rescue Service who do a superb job quietly? We don't even hear the siren now; a very shipshape and orderly affair the Fire and Rescue Service is and Mr Clarke is to be recommended for all the effort he has put into it and the upgrading of that service over the years.

Can I just also mention that Miss Sukey Cameron will be leaving the Falkland Islands Government Office before too much longer and I would like to record my thanks to her particularly for all the help she has given us over the years? She has done a tremendous job and I bitterly regret that she is leaving.

I'm pleased to see the FIDF looking smarter and smarter every time I see them as that is one of my responsibilities. It's particularly pleasing to know that they continue to improve in their training and their exercises and I wish them well in the future and perhaps if we continue to have all the poaching that's going on in the fisheries, we'll have to look again at getting a gun for our patrol vessels and putting the FIDF out there. I would hope though that they wouldn't shoot ships out of the water.

It's pleasing too to note that finally we are sometime going to get a building for the archives. Much needed and it worries me greatly that our archives are unprotected really apart from having a roof over them and they need very badly a building that we can safely keep them in.

The Medical Department, with the Honourable John Cheek, is another of my responsibilities and I do believe at this present point of time we have an excellent team of doctors and an excellent team in the hospital and I reiterate what Councillor Teggart said, the bowel screening campaign undertaken by Doctor Elsby has been a great success and I hope that we see more of that in the future. I hope too that when we have got good doctors in our midst that we don't discourage them from staying in the Falklands if it means that we have to re-negotiate contracts and so on. We need good people who want to stay in the Falklands and in past years we seem to have closed our doors somewhat to incomers. We haven't had an immigration policy and it's pleasing to know that we will do one day but we should encourage some people I think who want to stay, to stay.

And again Councillor Cheek mentioned Lincoln's Inn. I think we should waive all payments to invitations sent out for Lincoln's Inn. It doesn't generate very much money anyway, a couple of thousand pounds and for the PR we get from that one exercise a year I think is well worth offering everybody a free glass of wine and some company without having to make them pay for it. Sir, I have pleasure in supporting the Motion.

The Honourable C D Keenleyside

Your Excellency, Honourable Members and Members of the Public. I listened with interest to your Address, Your Excellency. I feel sure that listeners by the end of this meeting, will be satisfied that the budget will offer them more money in their pockets and improvements to the Falklands, both in Stanley and in the Camp. We always have to measure the balance between public expectations, resources to get the work done and available funding. It's complicated and is often very frustrating. Our funding is mainly a mixture of taxation, fishing revenue and investment income which is often overlooked. Of these the fishing revenue is the largest and

most difficult to predict with any certainty and that's why we must diversify. In your Address you included reference to the prospects for oil. I believe I'm the first Councillor to actually mention oil which seems to be a dirty word. The oil development strategies for the Falkland Islands prepared by Peter Pryn at our request makes compulsive reading. An early release of this document is essential to enable the public to see his conclusions. The report is factual, practical and pulls no punches about what oil development means to the Falklands. In his department the Attorney General has worked hard to produce draft legislation and the sooner it can be published so that people can see it, the better. Our Director of Fisheries, John Barton, who once again represents us at fisheries discussions, his firm and informed contributions to such discussions give us a strong representation which should not be overlooked. It is Council's intention that the targets set in the budget be achievable. The Capital Budget gives impetus to the public sector through contracts to be let. The Public Works section is based on realistic evaluation of what can be done with resources available and I can say that the much needed junior extension to the school will be given the priority it needs. I must also agree with Councillor Teggart's comments on preventative medicine. This must surely be medicine at its best.

Sir, I thank you.

The Honourable Mrs S Halford

Your Excellency, Honourable Members. Thank you for the round up Sir of the activities over the past year. I would also like to welcome Claudette as our new Clerk of Councils and despite feeling perhaps that she's been dropped in at the deep end so to speak, I have no doubt that she will learn to swim very quickly.

I was also pleased to hear that the final draft of the General Orders is expected to be submitted to Your Excellency for approval in June. I believe that these draft orders already require amendment to cover the Administration's proposed new special conditions for professionally qualified people which do not fit strictly into either the permanent and pensionable or contract sections of the Civil Service. However I am also under no illusion that the amendments to General Orders will be an ever ongoing process. I am also looking forward to my first Select Committee and I will do my best to ensure that peoples' taxes are honestly and sensibly spent. With more housewives to contend with at Select Committee than ever before I suspect that some Heads of Departments will not view the meeting with the same enthusiasm in the past years. Housewives, after all have to be aware of every penny and how far it must go.

Sir, I also support the Motion.

The Honourable R J Stevens

Your Excellency, Honourable Members. Sir, I would like to thank you for your Address - I found it most interesting. I feel standing here a victim of circumstance yet again because of living at an outside house I don't seem to be able to get the information to respond at these meetings. At the last set of meetings I had an hour to read through A4 size paper, about an inch thick and I feel that unless I somehow get better service of the papers that I can't help the people that voted me in.

The illex which was mentioned and is an important part of our economy, I think we should be looking for joint policies with the Argentine to combat fishing on the high seas, just as we tried to go it alone with voluntary restraints.

I was really pleased to hear the piece on the national stud flock and I was at that sale and it was really good to see so many farmers taking part in such a positive operation. The grant scheme, I would like it to be kept and also directed more at diversification and helping people to develop their farms.

I'm also the third Councillor to mention hydatid and nobody in the whole community wants to be infected or their children infected with this disease. I feel we should be giving it a higher priority and having a separate person to perhaps be a hydatid officer/stock inspector. Over the last well over a year there have been concerns about standards of animal husbandry and I think the amount of work that this will entail, it needs a separate person to take this big task on and really sort it out. If I could just mention the rural development policy briefly and your mention of the camp community allowing this to happen. Well if that's needed I'm sure they will, or the majority certainly will. However there have been special development areas before, the 50 acre plots. I don't know how long they have been going for but surely that was the idea of the 50 acre plots was to get people to do their little bit of rural activity on the pieces and now we seem to be shooting off again to try something else in that area.

Fish processing in Camp is sort of "rumour control" more than anything else. I wonder if this again is really on just with the practicalities of water supply. A lot of the places that have been associated with this fish processing have a hard enough problem I understand producing enough water for domestic use, and it seems to me that we would be learning the same lesson yet again to the lesson that we learnt at Fox Bay East when the Wool Mill was set up there. When it was an area that was very short of water, and so the Mill went in first and then a great upheaval of supplying water from nearly a mile and a half away.

Immigration has been mentioned and the consequences of getting it wrong, I feel, could be quite serious because we would be interfering with some natural forces in some areas and also not helping our long term issues. If we take the infant and junior school again. We were discussing how many children were in the reception class, 30 so in so many years there are going to be 30 people wanting jobs; in 10 years that will be 300, in 20 years and so on and so on. If our Community grows we are going to be looking for a lot of jobs and this does worry me, probably worry people in the future a lot more. I will be giving the infant and junior extension a very high priority along with four other Councillors, that makes five so hopefully the work on this extension will begin earlier than is written down on paper.

On the education front the possibility of television being used is great. I hope this happens because it would certainly be very beneficial to Camp Education. And with Camp Education I'd like to mention the hostel and the fact that the flat has been such a success where parents have been able to come into the hostel and see exactly what this set up is all about. All the sort of rumours that had people worried about how their children were treated, the parents can actually come to the flat and see exactly what's going on and I think I'm right in saying that all parents that have lived in the flat have been very satisfied with what's happening in the Hostel.

You mentioned GCSE, Sir, and they are important qualifications but they are not everything and there's a lot of people in our Community, a lot of children, that won't achieve these standards and we should always be considering their futures as seriously.

The Post Office I must mention - this is my portfolio and we seem to be have been underfoot, so as to speak, quite a few times since I've taken the reins and the Post Office is a very public establishment. You're on show every single day and the conditions that the Post Office staff work under aren't very attractive at all. The Philatelic Bureau in the same area has also taken the brunt of criticism from the public and now we have asked the public to take part in this very important revenue earner and to put forward their ideas. But I think even with everybody contributing there is always going to be someone that doesn't like a design because artistic tastes are completely different. What you would hang above your mantelpiece is not necessarily the same picture that I would like in my house and so people have always got to take that into consideration.

Getting back to me being a victim of circumstance - it surprises me that since planes have begun they've always been able to drop bombs and ordnance on people, but we've got a problem where upon we can't deliver mail in the same way. So if the pen is mightier than the sword we should put priority on dropping mail, literature, that type of thing. It must be recognised by Government that there are a lot of people living in the same sort of situation as I

do where I would have a 2 hour round trip to get mail: and I'm in quite a good location I think. I know that it will probably get the thumbs down by other people, but it's usually by people that are more fortunate than people living in an outside situation like myself.

I would like to acknowledge Councillor Bill Luxton's recognition of Port Sussex Farm's ability to explore every opportunity to unite the communities of the East and West.

Sir, I support the Motion.

The Honourable The Financial Secretary

Your Excellency, I also share the concerns expressed on the decline on illex stocks and I note the comments from Councillor Goss on how he intends to proceed in Select Committee. However, unless we are prepared to match any reduction in expenditure with the acceptance of a reduced public and social service, the chances are, as has happened in the past on many occasions, the savings achieved in Select Committee will be returned throughout the year when the reductions prove unacceptable. The Council will be hearing enough from me soon in my budget presentation and the real action will start in Select Committee on future financial planning. It is worth mentioning at this stage that although this meeting includes the main financial review of government activities, the monthly meetings of the Standing Finance Committee provide elected Members with the opportunity of monitoring financial progress during the year on a regular basis. Sir, I join with the elected members in supporting the Motion of thanks.

Commander British Forces

Your Excellency, Honourable Members. At this stage I would just like to thank His Excellency for his very kind words. I'm delighted that Civil/Military relations are considered to be excellent, and I'm very pleased indeed that as well as defending the Islands we are able to play a constructive part in community life and make a valued contribution to the community. Your Excellency, thank you very much indeed again for your kind words and if I may I'll reserve the majority of what I'd like to say until the end of the Budget Session next week. I support the Motion.

The Honourable the Chief Executive

Your Excellency. It comes as a great surprise to hear that I would like to support the Motion! I was very interested in a number of the remarks that Honourable Members made. Your set script is unlikely to be highly critical of the government services; and I'm sure it will be particularly satisfying to the government paid service to hear the supporting remarks that have been made by almost all the Honourable Members and it's good to know that a lot of what is done, routine, day by day is appreciated, and is noticed, and may I on behalf of the paid service extend my appreciation to Honourable Members for the helpful comments that they made.

Like my colleague the Financial Secretary, I too have special regard for the comments that were made concerning the illex fishery. In the Palace of Westminster there is a wool sack that is sat upon: and it is there to remind the elected Members all the time of importance of farming to the British Government. I think it would be a retrograde move to have you sitting on a block of frozen squid Sir, but it would be foolish for anyone in this Colony to disregard the fact that their prosperity, and everyone has prospered, their prosperity is linked not just to squid, but to illex squid; that is the big buck earner. And anything that we can do to maintain the illex squid, has to be right. There was some time ago that we went into great detail of discussing how we would arm the Patrol Vessel, and part of that exercise we went through was to consider how with advice that came from all around the world on the procedures that would be carried out before we fired a shot; and in short it meant that the vessel would perhaps on 20 different occasions advise the Captain of the vessel involved first that they were going to

fire if they didn't stop, then they would fire blank ammunition, then if they still didn't stop they would be advised again they were about to fire live ammunition, then they would have live ammunition fired over the bows and then after more warnings a shot would be put into perhaps the stern quarters of the vessel, in the hope that the vessel would stop. In the instance of the Argentine vessel last week, she did all those things, that vessel was urged to stop on countless occasions and the fact that it failed to stop, once a hole had appeared in its stern, was probably the contributing factor why it did finally founder many hours later. It wasn't sunk from under them but if you continue at speed with a hole in you, not surprisingly the water all swirls up and fills the hole and then the boat sinks. So I actually strongly support the action that was taken by those fishery protection people, and have long wished that we were in the position to do the same thing: and such piracy and stealing has to be stamped out as quickly as possible. I share the view that we have made real progress in seeing Argentina agree to close the fisheries early. I think there is an opportunity here for us to see some further voluntary restraint. It will be interesting to discover if the Argentine Government are going to refund any proportion of the licence fees to the vessels that will have the fishing stopped or denied to them. That is an action that the Falkland Island Government is going to take this time and which we have been prepared to fund in the past, but the possibility exists of us giving consideration to offering to fishing companies who apply next year for licences a lower value licence taking cognizance of the losses they made this year. Perhaps we could link that to their limitations of fishing on the high seas after we have closed the fishery in the Falkland Zone and the Argentine Zone; and only if a vessel can show that it actually left the south west Atlantic do we consider applying any form of discount next year, and it may be that our neighbours in the fisheries and bear in mind that the species that we are talking about is called *illex argentinus* so not surprisingly it's got a lot more to do with them than it does with us. Perhaps if they took the same similar point of view we could make progress to mutual advantage. The Honourable and distinguished Member from North Arm made mention of the caution that we should take concerning income, as indeed did the Honourable Member from the West. Mr Micawber gave us all a very simple but basic lesson in economics. I think the only difference between the two Honourable Members is when you start counting income and when you start counting expenditure. But the main thing is that sooner or later there is going to be a reduction in the income and it is Honourable Members who are going to have to take the difficult decisions of what planning you have to put in place: and I welcome what appears to be a general agreement that proper prior planning is required if we are to have some stability in our economy.

I have to apologise to the Honourable Member from Port Sussex about the failure of Government to get his papers to him. I wasn't aware that this was a difficulty having provided him and all Members with fax machines. I had foolishly assumed that this system was working. Now that I know that it isn't we will look at other ways. The Honourable Member mentioned that the pen is mightier than the sword. I would suggest that a bundle of the Attorney Generals' papers falling from a height of 200 ft at something like a 150 miles an hour is considerably more dangerous than any sword or any pen. But nevertheless we will certainly look at this bold concept. Mention has also been made of the immigration policy. I've been through the immigration policy scenario before and was surprised to discover that my understanding of immigration policy was totally different to the Honourable Members who had set the task. Now if we are meaning immigration control, immigration restriction, immigration encouragement, those are three different things and immigration policy needs to be defined so that the officials actually know what is the objective that we are trying to achieve for the benefit of Honourable Members. So we are all for immigration policy and indeed there was a meeting of the Immigration Committee yesterday and I expect we will see progress.

The GCE courses are of course important and they are seen as the first important step towards professional qualifications. But the government and others have not been slow in recognising the need for courses for people who are not so qualified and we do send apprentices and others who are anxious to take non vocational courses or none of the statutory qualifying courses and as long as we can afford it there is no need why this should be reduced in any way. The Government of Gibraltar have offered very generous terms to provide training facilities for

people who are anxious to learn building and other skills and it may well be that this should be further explored.

"Diversification" is a word that is constantly used in the vocabulary around here and there is no doubt that there has to be additionality brought in to the Falkland Islands economy. Not just on the farms but also in Stanley and the other communities that are going to be built up here in the years ahead. A major element to try and look hard at the rural factors that are affecting farms and the Community as a whole has been addressed by the Development Corporation in its rural policy. This document is to be discussed by the Board at this particular session next month and it is also to be the subject of a major information and discussion exercise during Farmers Week. And I think that the role of the Development Corporation is crucial in making certain that there is a momentum created, that there is some leadership given and that there are opportunities offered for the economy to be broadened, to anticipate the very potential that a number of Honourable Members have outlined. And I believe that the Development Corporation together with other parts of Government are properly placed and acting correctly along those lines.

Your Excellency, I do support the Motion.

CONFIRMATION OF THE RECORDS OF THE MEETINGS OF COUNCIL HELD ON 19 OCTOBER AND 16 NOVEMBER 1993

The Records of the Meetings of Council held on 19 October and 16 November 1993 were confirmed without amendment.

PAPERS TO BE LAID ON THE TABLE BY THE HONOURABLE THE CHIEF EXECUTIVE:

Copies of Subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of the Legislative Council and laid on the Table pursuant to section 34(1) of the Interpretation and General Clauses Ordinance 1977.

Dean Street (Part) One-way Traffic Regulations Order 1993

The Firearms and Ammunition (Fees) Regulations Order 1993

New Island South Sanctuary Order 1993

Coins (Coronation Anniversary of Queen Elizabeth II 1953-1993) Order 1994

Permitted Hours (Public Houses) (Amendment) Regulations 1994

The Fishing Licences (Application and Fees) Regulations 1994

Medical Practitioner (Qualifications) Order 1994

Administration of Justice (Crown Proceedings) Rules 1994

Post Office (Amendment) Order 1994

Annual accounts and auditors report in relation to the Media Trust for the years ended 30 June 1991 and 30 June 1992 and laid on the Table pursuant to section 9(2) of the Media Trust Ordinance 1989.

The Honourable the Chief Executive:

Your Excellency, I beg to lay on the Table the papers named by the Clerk.

Question Number 1/94 by the Honourable R.J. Stevens:

Can Government say whether the proposed renovation of Fox Bay East Jetty with STABEX funds will bring it up to a sufficient standard to receive ocean-going vessels i.e. Hogg Robinson and Darwin Shipping?

The Honourable the Chief Executive:

Your Excellency, in a word no.

The Honourable R.J. Stevens:

I would like to thank the Chief Executive for his comprehensive answer.

The Honourable Mrs N Edwards:

May I ask the Chief Executive if Hogg Robinson and Darwin Shipping are not going to be able to make Fox Bay jetty after it's been renovated, to what standard will it be repaired?

The Honourable the Chief Executive:

The proposed works on Fox Bay East Jetty are intended to improve the stability of the structure, widening the decks to gain easier access for loading and unloading, and providing more adequate mooring points for vessels. The work will enable the MV Tamar (or a similar vessel) to work safely on cargos for the Fox Bay area.

The present available water depth at the jetty head of 3.7 metres at low tide will not change, nor would the width of the jetty head at about 7 metres change, this is too narrow for the safe regular use by larger vessels.

The Anne Boye and Hogg Robinson vessels draw between 5 and 5.5 m and would be unable to use the Fox Bay jetty unless it were to be substantially lengthened into deeper water as the sea bed in that area has a very gentle slope. In addition there are understood to be difficulties in navigation for larger vessels entering Fox Bay Harbour but I think the Honourable lady will have more knowledge of that as will her husband than I do.

The Honourable Mrs N Edwards:

Thank you. May I ask one more supplementary question? Could the Honourable The Chief Executive tell us when we are likely to see this occur. Is the STABEX money yet released for this work or indeed for any of the other things that this is earmarked for?

The Honourable the Chief Executive:

I can't give a precise answer to that. We are well on the way to seeing the release of the money but I will investigate and let you have an answer on that in writing.

The Honourable R.J. Stevens:

Could the Chief Executive tell me if there is any other area within Fox Bay that you could use a jetty as I suggested?

The Honourable the Chief Executive:

Your Excellency, I'm not aware of any such area.

Question Number 2/94 by the Honourable R.J. Stevens:

The last vet told farmers at farmers week last year that he only saw one killing house within the camp that conformed to the Hydatid Ordinance. With the recognised rise of Hydatid in offal at the Butchery, detected problems in dogs and, most worrying of all, the increase in human contact with the disease, can Government say whether STABEX funds could be made available to improve killing facilities in Camp?

The Honourable the Chief Executive:

Your Excellency, in a word, I don't know. In most instances, the improvements will not involve very much capital cost. We have however asked the EC STABEX authorities whether a proportion of the 1992 STABEX Transfer could be allocated for this purpose, and await their reply. However this is a public health matter and not directly allowable by them as an economic development matter I am not at all hopeful that STABEX funds can be allocated to this purpose.

Question Number 3/94 by the Honourable R.J. Stevens:

During PSAI's construction of the MPA to Goose Green Road, concerns were expressed to the Director of Public Works and the consulting Engineers about the width of the cattle grids to no avail. Now that all are damaged, the workforce of Goose Green have been given the task of keeping sheep in camps and repairing the constant damage. Can the Administration give dates of when the work to put this right will begin, end and how much it will cost?

The Honourable the Chief Executive:

Your Excellency, the work of installing new, wider, cattle grids is scheduled to commence mid June. It will take about three weeks and it is estimated to cost just under £7,000 in total. The exact date of commencement and time taken will, of course, be weather dependent. I wouldn't want anyone to believe that we disregard the concerns expressed at the time the road was being built, but you may recall we have found ourselves in some difficulty with the contractor. That was known at the time and the reason that no change was made to the contract was in case the contractor used that as yet another lever to suggest that the contract wasn't valued. So I'm afraid that we have had to recognise this additional expenditure and it will be indeed be met.

The Honourable Mrs N Edwards:

Could the Honourable Chief Executive tell us when PSAI are likely to settle this claim against us, or indeed if they are likely to? I had heard that we had to have a reply from them in March but that doesn't seem to have happened.

The Honourable the Chief Executive:

Your Excellency, as you and Executive Council are aware, and I'm sorry there hasn't been time for their discussions to be passed on to Honourable Members, are aware that negotiations continue on this matter. It will not be quickly resolved, but there is no suggestion whatsoever that the Falkland Island Government should change its position in requiring for PSA to carry out the contract to build the road that was asked for at the price at which they tendered and that is the position that we intend to maintain.

Question Number 4/94 by the Honourable Mrs S Halford:

Can the Chief Executive explain to the House the terms and conditions of the present immigration policy in relation to the private sector as many private businesses and farms are concerned about the restrictions placed upon them in terms of labour recruitment?

The Honourable the Chief Executive:

Your Excellency, as Honourable Members are aware, there is no comprehensive written immigration policy for the Falkland Islands, but it is the task of any immigration authority to consider very carefully who is allowed entry into a country to share its resources and take up jobs in preference to those already living there.

For some time now, those wishing to import labour have been required to advertise vacancies in the local press or on FIBS so that any persons already resident in the Islands who may possess the required skills can be made aware of the vacancies and have the opportunity to submit applications. Government itself adheres to this policy and will continue to do so: for example the posts of Senior Magistrate, Chief Executive and a number of others have been advertised locally as well as overseas in recent months.

In considering applications to import labour, the Immigration Section takes into account the relevant skills of all applicants for advertised posts and in the majority of cases the request to bring someone in has been approved.

Government has established an Immigration Policy Advisory Group under the Chairmanship of the Honourable W R Luxton which has been tasked with preparing a draft written immigration policy, and to recommend changes to the present system. This is a complex matter and will take time. I can advise the Honourable Member that several similar representations have been received from the public, including the Chamber of Commerce. These together with other relevant matters were discussed by the Advisory Group yesterday afternoon. Whilst the Group took notice of the requirement they have felt that the principle of giving Islanders the first opportunity of employment is to be maintained. The Committee will in due course submit proposals to Executive Council that will provide the flexibility that some have requested.

The Honourable Mrs S Halford:

While I accept that Islanders should get priority on jobs if they are qualified to do them, could you tell me is it government practice to advertise every post after each contract officer has finished their term of employment, even though they intend to continue in that particular job when the private sector are expected to re-advertise when they wish to keep someone employed slightly longer than originally intended?

The Honourable the Chief Executive:

I don't believe it is the practice, Your Excellency, of having such a procedure in Government but nevertheless I believe that the view expressed by the Immigration Advisory Group yesterday should meet the concerns of the Honourable Member, that they will study the situation and try to find ways to introduce the flexibility that you and others require.

The Honourable Mrs N Edwards:

Can I ask the Honourable the Chief Executive if it is permissible for somebody who is here on contract, who has finished his contracted work and who may wish to stay on to do some local work and it's been advertised locally and there have been no local takers, would he or she be allowed to stay to extend his time?

The Honourable the Chief Executive:

Your Excellency, I'm probably about to wander into one of these unmarked minefields that exist in the Falkland Islands. There are a number of instances that crop up of the nature that you mention. Each one is looked at separately and I believe I can think of the circumstance that you describe that has happened. Yes. But I don't believe that it having been agreed on one occasion that it therefore means that every single occasion after that, that it can happen. Similarly, it has been well established that someone who is working for the Ministry of

Defence as a contractor cannot immediately assume that they can leave that job and start working in Stanley. A formal application and procedure has to be gone through and on no instance has anything ever been done on the nod, it has been formally progressed.

The Honourable Mrs N Edwards:

I thank you for that reply from the Chief Executive. I just asked that question, if I may have the House's permission to explain, because there are times when one would perhaps like to give a shearer who has finished his contract some employment building fences. I came to the conclusion that the only way I could do it was to sleep with him because then he would become a belonger or co-habitor and I wouldn't come up against the non-existent immigration policy. Thank you.

Question Number 5/94 by the Honourable J.E. Cheek

Would the Chief Executive please report on the current levels of hydatidosis within the Islands.

The Honourable the Chief Executive:

Your Excellency, routine examination of 6419 offals produced two (0.03%) which contained hydatid cysts, this is on a par with the pattern of recent years. Routine blood testing of 1000 dogs showed that 16 registered positive, however, this test only detects whether or not antibodies are present in the blood and indicated that the animal has been exposed to but is not necessarily infected at the time of testing. A further test showed that three of the sixteen dogs were positive at the time of testing and were treated with anti-hydatid drugs accordingly. Provided that the dogs are being adequately dosed on a regular basis there is no reason to believe that this position has changed. Nor is there any reason to believe that the incidents of hydatid have increased noticeably in recent years. It is still a matter for regret that it hasn't been eliminated and that is a target being set by the Agricultural Department and is the subject of a paper that is required to be produced in the next Executive Council.

The Honourable J.E. Cheek:

Your Excellency, I thank the Chief Executive for his reply. I think the general feeling is there is a slight increase in the levels of hydatidosis within the Islands and we would wish, as you mentioned Sir, that they would decrease. If I may so as an aside the level of .03% in the Islands is extremely good when one compares it with 40% in parts of Wales but be that as it may we want to eradicate it here. My supplementary question is one of the reasons for eradicating it is to keep the dogs away from any offal, and it is obvious to many people that in some areas dogs are not being penned as they should. I believe the fellow Councillor flying in from the West saw, I think he mentioned something like four areas where dogs were obviously loose. My question is why isn't the full force of the law being applied to people disregarding the regulations?

The Honourable the Chief Executive:

Your Excellency, I note the remarks made by the Honourable Member but his conclusion is that it is on the increase does not actually match the statistics that have been produced by the Hospital and the Department of Agriculture. It is static, it is unfortunate, but it hasn't increased. I am aware of one prosecution that is taking place: and it is taking place because the proper authority was informed of it. Now unless we are given advice on where things appear to be wrong, it is simply not possible to act in every case. We are dependent upon receipt of information, but I do not believe that there will be any circumstance where information is not received. that it will not be very strenuously investigated and I would ask for the support of all concerned who want to see this happen to let us know of examples where

it is believed that the procedures aren't being followed and that would be of great advantage to all of us who want to see the disease eradicated.

The Honourable R.J. Stevens:

Can it first be said that is very difficult in a small community to shop your neighbour unless you are very cold and calculating and that is why I feel that we should have an inspector who is independent of all those pressures to look into hydatid and the treatment of stock. I would like to ask the question in relation to what the Honourable Councillor John Cheek said, does this offal that's got hydatid cysts, does that relate to these farms that are known to have running dogs or to farms that had positive dogs during the dog testing?

The Honourable the Chief Executive:

Your Excellency, I can't precisely answer that question. The cysts were discovered through the routine examination of offal at the butchery and the statistics that I gave are related to the slaughtering at the butchery which is the only place where there is this routine examination of offal so it masks what may be happening to the many thousands of sheep that are culled elsewhere in the Islands. But there is a close corroboration made by the Department, both the Health Department and the Agricultural Department of the incidents of positive testing of dogs and people, and they do not match. You have instances where the person has a positive reading and there are no dogs in that area that are positive, but as I mentioned in an earlier answer the part of the testing indicates antibodies which can mean the infection has been there for a long time or was first made infectious many years before and has since disappeared.

The Honourable R.J. Stevens:

Thank you for being patient. Could you tell me if there is any cross reference then within the butchery who probably buy most of their sheep from the East. So any cross reference to identify the farms where this offal is coming from which has hydatid cysts.

The Honourable the Chief Executive:

Your Excellency, I can't give a specific answer on that, I would be surprised if it cannot be determined but I will find out and let the Honourable Member know.

Question Number 6/94 by the Honourable J.E. Cheek:

Would the Chief Executive please indicate when there is to be a formal announcement by FIG indicating when there is to be another round in oil exploration/exploitation.

Question Number 7/94 by the Honourable C.D. Keenleyside:

Can the Administration indicate the likely timetable for the introduction of oil legislation in the Falkland Islands?

The Honourable the Chief Executive:

Your Excellency, I thank the Honourable Members for their question. Once Legislative Council has enacted the Offshore Minerals Bill - probably early in the spring - I expect that the Falkland Islands Government will announce the opening of the First Licensing Round for oil development and make the Model Clause Regulations.

The Honourable J.E. Cheek:

Your Excellency. Would the Chief Executive indicate whether that timetable, would he believe that the announcement for that round would be later this year?

The Honourable the Chief Executive:

Your Excellency, in the Spring.

Question Number 8/94 by the Honourable C.D. Keenleyside:

Following the recently conducted survey of Senior Citizens what are the additional projected sheltered housing requirements for the future?

The Honourable the Chief Executive:

Your Excellency, the survey of senior citizens is ahead of schedule. It is planned to have all the information available for Honourable Members by December 1994 as was previously indicated. Of a total of 196 questionnaires issued so far 146 have been completed. Whilst it is too early to draw conclusions, it's worth noting that only 42% of those surveyed have indicated that they feel there should be more sheltered accommodation provided in Stanley. I mentioned this simply to show that there is an analysis being taken of the information provided so far but we've still some way to go.

The Honourable C.D. Keenleyside:

I thank the Chief Executive for his reply.

The Honourable Mrs N Edwards:

Could the Honourable the Chief Executive tell me if the corner of what is now the School ground on which Admiralty Cottage was sited was removed from the school contract which was asked for by Council at that time that that piece of land be removed from the plans and kept by Government for further sheltered accommodation site? That was neglected to have been done at the time and Mr Forbes took over the house and all of the occupants for a day or two until it was removed but that in my opinion is the ideal place for further sheltered accommodation and I would like very much actually to see some money put towards that before we wait a couple of years to find out if there's going to be a need for it, because a lot of the poor old people never reach the sheltered accommodation that they wanted to get into they, they reach the east end of Stanley first and I would like to see some spare sheltered accommodation in the future rather than having a queue to get into it and I would very much like to see that piece of land removed from the School grounds. Thank you.

The Honourable the Chief Executive:

Your Excellency, there's no more sheltered accommodation available than the one the Honourable Member refers to in east Stanley but I can well understand why there's no urgency to move people there unless you happen to dislike them very much. I was at a loss to understand quite why the school playing field was brought into the supplementary question until the very end. I'm really depending heavily on memory now, I am not aware of any reservation of that land on the playing school being kept for sheltered housing and I actually think that it would not be a very helpful place to have a bungalow of any sort. I mean in due course of time, we're going to have footballs, cricket balls and the like flying around.

I will look at the original contract and see if such land was set aside. I think if it were the case it will have to go to planning for their consideration and a decision and if that wasn't popular doubtless there would be a petition. My learned friend here has advised me that Executive Council of the day did consider it and decided it would be a bad idea. Thank you very much.

His Excellency the Governor:

Can I just add one point. I don't want to overdo the reliance on Westminster precedents, but the rules in Westminster are that a supplementary question has to be very clearly related to the question that has actually been asked and if it isn't, it isn't really very fair on the administration to expect them to answer questions that happen out of the blue. So I would urge people, if they do have additional questions to table them by all means because it's a very useful way of keeping government on their toes and getting information out of the machine. So I'm not trying to repress questions but merely to ensure government have a fair chance to do their homework before the questions are put. Thankyou.

Motion Number 1/94 by the Honourable J.E. Cheek:

That this House do approve the draft Standing Orders now laid on the Table and request the Clerk to submit the same to His Excellency the Governor for his approval pursuant to Section 40 of the Constitution and, subject to such approval, they be brought into force.

Your Excellency, in proposing this Motion takes me back in memory to something like five or six years ago that it was suggested that Standing Orders be updated. In fact the changes to Standing Orders largely reflect what is already happening so the rules follow reality rather than the other way around. So because of that there is not a lot to comment on, other than I believe in fact there may be proposals for slight modifications to Standing Orders as we're now suggesting. One thing I would like to point out, one significant change which will follow this is that currently the Chairmanship of Standing Finance Committee is in the hands of an official for the last three and a half, four years I believe in the hands of the Financial Secretary and I would like to give the thanks of all elected Members for the excellent Chairmanship carried out by the Financial Secretary. Sir, I'll keep this very short and just make the proposal as such and wait to see if we have any further comments.

The Honourable C.D. Keenleyside:

Yes Sir, I would like to second the Motion by the Honourable John Cheek without further comments.

The Honourable W R Luxton:

Your Excellency, I would support the Motion as well but I would also like to propose one small amendment - it's a deletion actually. In accordance with what has become the standard established practice in this House I would suggest that the para 22 section 9 (b) could with advantage be deleted. Standing Rules and Orders will then conform with what's pretty well established practice in this House.

The Honourable the Attorney General:

Your Excellency, I know what the Honourable Member's intention is. The mere deletion of the paragraph will not effect it because the Standing Orders say that where not otherwise provided the practice and procedure of the Commons House of Parliament should be followed. Now in fact it may be interesting to Members of the House to know what it is. Because I don't think that necessarily our practice is any different, or that the Honourable Member would want it to be any different than it is but if he needs to pursue the matter, then he will have to go further in the amendment than he's gone. The practice at Westminster, and I will read the relevant section of Erskine May. "A Member is not permitted to read his speech but he may refresh his memory by reference to notes. A Member may read an extract from documents but such extracts and quotations should be reasonably short. The purpose of this rule is to maintain the cut and thrust of debate which depends upon successive speakers meeting in their speeches to some extent the arguments of earlier speeches. Debate is more than a series of set speeches prepared beforehand without reference to each other. For the

same reason, the Speaker has urged Members to remain in their places after they have spoken and to return to the House for the concluding speeches of a debate. However, unless appealed to, the Chair does not normally intervene to enforce the rule against reading a speech and unless there is good ground in the interests of the debate for intervening the matter is usually passed off with a remark to the effect that the notes used by the Honourable Member appear to be unusually full or that the Honourable Member has provided himself with rather copious notes. The Rule against reading speeches is in any case relaxed for opening speeches or whenever there is special reason for precision as in important Ministerial statements, notably on Foreign Affairs, in matters involving agreements with outside bodies or in highly technical Bills. Even at a later stage of a debate, prepared statements on such subjects may be read without objection being taken although they should not constitute an entire speech. The reading of speeches is even less suited to a Committee than to the House itself." Now what I am saying to Honourable Members is this. If the Honourable Member's proposal that sub paragraph (d) of paragraph (9) of the proposed Standing Order be deleted, what would you have? Those rules from Westminster. Now what I am saying is we will have to do something else because in fact the Standing Rules sets out a practice in effect, is the practice of Erskine May and the amendment will need to be, to the extent that Members may at any time read their speeches. That's what the amendment would have to be.

His Excellency the Governor:

I wonder what other Members feel about this. I mean I can see Councillor Luxton's point, it is slightly misleading as it stands.

The Honourable Mrs C W Teggart:

Your Excellency, Honourable Members. I support the Bill as other Members have done before me. I would like to take up the point that Councillor Luxton has brought up about the deletion of this particular part of it. It's something that I know that has become really accepted, I know that there are Members of this Council who do make fairly long notes on what they are going to say, if I can put it this way, but I really feel that I must agree with the Attorney General's point in that it does, if that happens, take away a lot of the spontaneity of the particular persons, of what they have to say. I can also understand the Honourable Members who do it as it's a horrible feeling stand up in this House for your mind to suddenly go blank and you haven't got a clue of what you're going to say, and if you've got something written down at least it covers your embarrassment somewhat. On the other hand, I feel that anyone who wishes to represent the Falklands in any capacity, they leave the Islands, they go away, if they always have to have a prepared statement written down of what they are going to say then it really doesn't do them any good because you don't know what someone is going to throw you at you at any particular time, in any particular place; and I really feel the fact that Members have to stand up in this House and just refer to brief notes on things and really it's good training ground for public speaking. It helps give them confidence that they can actually fulfil a duty that is necessary to them as Members of Council and for that purpose I would really support the Attorney General's comments in keeping this in. It's never been a rule that's been strictly enforced, if people feel that they are happier having their standby notes then I think that that is probably something that will always happen: but as I said I really have no problem having this clause kept in the papers because I believe that it is something that is worthwhile as I said, good training for Members of Council.

His Excellency the Governor:

Do you wish to propose an amendment Councillor Luxton.

The Honourable W.R. Luxton:

I already have, do I have the support.

The Honourable J.E. Cheek:

Yes. Your Excellency, I think I have the chance to wind up. I'm not sure if we have reached that stage. I would like to support the amendment, as has been pointed out by the Attorney General when he was refreshing his memory from Erskine May. If we delete this we need to replace it by something else which is positive, because if we delete this then we get back to Erskine May itself. I would like to support the proposed deletion of this and together with that the insertion of something that says we can in fact read from our speeches.

A vote was then taken and agreement was reached in favour of an amendment.

The Honourable the Attorney General:

Sir, may I ask what the amendment is to be?

The Honourable J.E. Cheek:

Your Excellency, I was wondering if at this stage we could hold the Motion at this point and reintroduce it later in the Meeting when we could hammer out the required corrections/alterations to the Motion?

His Excellency the Governor:

Alright. Apart from that amendment do we assume that the rest of the Standing Orders are acceptable?

Everyone agreed.

Motion Number 2/94 by the Honourable R.J. Stevens:

That this House establishes a Select Committee of the whole of the elected Members to consider ways to secure Camp's future: to find ways to encourage young people back to Camp: to reduce the financial dependence of Camp on the community as a whole and to promote real development in Camp.

Your Excellency, Honourable Members. I feel slightly embarrassed by the first Motion which was so quick and I'm going to now read something that is so long against all the things that we were just discussing.

I feel that Members directly responsible to the electorate should identify priorities for FIDC to develop. I think this is an issue that sounds purely Camp but it involves everybody. This is why I am pleased a Stanley Councillor, the Honourable John Cheek, has backed this Motion. I believe that half the farms on these Islands are terminally ill in one way or another. We have the farms too small and will always need Government support. Even as I speak, Government knows this and yet we are still prepared to build up on infrastructure that these units will never support from farming cuts. My personal feeling is that farms below 20 tonnes greasy have a limited long term future. Peoples' expectations will increase but the revenue from small farms will not match this. There are longterm questions that need to be answered. Who will buy these uneconomical farms for realistic prices after farmers have worked hard over many years building them up? Will our children remain when they realise the amount of work involved over a small uneconomic unit and the financial returns? We have farms that cannot maintain numbers because of poor lambing, high hogg mortality or high general mortality and are forced into running old sheep and other people's culls. We should be encouraging with financial incentives with farms with good land to become breeding units to supply 2 year old sheep to these farms. These ideas might form part of a larger picture apart from a dry farm and a breeding farm saving on shearing costs; the dry farms could be encouraged to have a contract with the butchery to provide fat sheep at certain times or co-ordinated help to make sales to Chile. If the dry farms bought a 2 year old sheep for £7 and at cull age the butchery

gave £3.50 the economics may prove viable. This idea needs to be proved, some will say that selling younger sheep has already been tried and people are not interested, but that is not strictly true. Most large quantities offered for sale are other people's cast sheep. A few trials would prove that buying sheep is economic and many farms are frightened to risk this or need the cash to get the ball rolling. The third categories are the large farms, these are very short of manpower, especially young married families with children that will hopefully populate camp in the next generation.

Falkland Landholding farms are an area we should be looking at carefully. They belong to the people and should be developed bearing in mind the interest and changing needs of the whole community. I believe Falkland Landholdings cannot afford its costly Stanley Management that drains the organisation of so much money. Looking at the run down settlements, where most farm buildings need paint and the manpower to do the painting, surely it would be better if the money now spent on this management were allocated to the farms themselves. I think a cheaper option should be found where a farm manager within Landholding directs the others through the Board. If there is a position of entrepreneurial skill in identifying opportunities it should be for every farm or should be working for every farm.

On the money side, Councillors should recognise that the price paid for the FIC farms included a political price spoken about by the last Council. Falkland Landholdings should not be expected to repay that political element. To pay back a sum far exceeding the economic prospects of wool and farm revenue will only harm Falkland Landholdings development. If this were recognised, any future profits should not be hoarded but reinvested into Falkland Landholdings improving working conditions and wages.

My ideas for saving Camp might differ from other Councillors but I believe it is in everybody's interests to build a strong Camp which has a better chance of surviving future recession and be attractive to the next generation. My personal feelings are that the Stanley Office should be closed, that Falkland Landholdings should be sold down to the Darwin and Goose Green isthmus and be sub-divided. The Falkland Landholdings' employees should be given first chance to buy their own land and the remaining sections should be used to encourage families back to Camp from town and farmers out of areas where properties have low sheep numbers. Farmers should be encouraged out of areas of low sheep numbers into viable units made available by Government. A farmer who moved would arrive at a viable section while the land he left could be absorbed by neighbours; the results hopefully would be strong farms ready to look to the future instead of to the next subsidy. It will cost money. Farmers moving would have to be paid to move heavy equipment, buildings like shearing shed, presses and tractors but better this than the money which is now paid out annually to farms with no effort to stop the rot. I am pro-small farm, I am pro-Camp, I'm not anti-big farm however statistics prove that the stable farm population with children is on family owned farms. Many people within the Administration feel that sub-dividing is over, many feel that the splitting of Port San Carlos proved this. I think sub-dividing KC was a success, it bought four out of five successful applicants back to Camp from Stanley. One with a young family and one that has started a family. When was the last time that this many people have moved out of town to Camp? There is still a healthy number of experienced Campers who would move out to their own farms tomorrow, yet these same people would never work for Landholdings. It has been suggested to me that if Falkland Landholdings was split up people would lose their jobs. In the farming statistics of 1993 Goose Green supported 34 people for 77,341 sheep. Port Howard had a total of 29 people for 46,404 sheep. Not only would selling parts of Landholdings have great possibilities in strengthening weak farming areas by bringing families back into camp and giving Landholdings' employees a chance to own their own farms, it would take the pressure off the ever shrinking workforce and allow the remaining people a reasonable workload. It is often stated incorrectly that small farms have destroyed the big farms. For every person that has left Landholdings farm to take up a section I would name 20 at least that have gone to town to live. Other big farms although probably not to the same degree also have far more people leaving for Stanley. I'll take San Carlos as another example. In 1977 every outside house had a married man in it. The settlement had a structured population, every house was full, the cookhouse was full. When San Carlos was

split there was no-one in an outside house, the cookhouse was empty and the settlement was not full. Sub-division here filled every outside house and created another. The settlement now boasts its own separate business - Blue Beach Lodge. Perhaps Councillors feel that with the rural development plan that this Motion is not necessary, I hope not. I think it's pointless to build on a foundation that is frail and in some areas crumbling. We need to build a farming community less vulnerable to recession, less dependent on subsidy. Whatever Councillor's views I believe we must discuss ways of strengthening what we have, to see camp life continue into the future and work towards farms that have a better chance of survival. There might come a day when FIG cannot or will not support the farming community. Thank you, Sir.

The Honourable J.E. Cheek:

Your Excellency. I am pleased to be asked to support this Motion, which I do. I would hate for Camp Members here, people living in the Camp to think that I am presumptuous enough to believe that I have solutions. I don't. I don't even know what the real problems are but I think all of us are aware that there are problems. I speak as someone who lives in Stanley although I was born in the Camp. Born in West Falklands; probably in fact the only person around this table who was born on West Falklands but I support this Motion because the Camp is part of the Falklands and as such we have to support all parts of the Islands. The Member for Port Sussex said he was pro-Camp, pro-small farms. I as a person that is pro-Falklands support the Motion.

The Honourable W.R. Luxton:

Your Excellency. Honourable Members. I would like to say right at the start that I support absolutely the sentiments of this Motion and like Councillor Cheek I don't pretend that we have any answers either. I'm not sure that a formation of a Select Committee is the right way to go about it in fact. I think perhaps it's something that the whole Council should be addressing through a body such as the General Purposes Committee. I don't feel strongly about that, but perhaps other Members or the Attorney General may have some view on whether the Select Committee on a subject like this is quite the right way to go about it, but I do wish to support entirely the sentiments expressed.

The Honourable E.M. Goss:

Your Excellency. I would like to say a couple of things on this Motion. Falkland Landholdings have a Review Board in place at the moment and I have already stated early today that we are now happier that some corrective measures are under way and FIDC have published their Rural Development Plan which covers a lot of these points and in conjunction with that report and the Review Board I think we're heading down the right road now. So in view of the Review Board and the Rural Development Plan, I can't support this Motion.

The Honourable C.D. Keenleyside:

I find myself in somewhat of a quandary here where we have effectively a Motion to support the Camp but at the same time I emphasise what Eric says. As Chairman of the Review Committee of Landholdings I've taken great interest, great personal interest as I have similar to John Cheek and I believe of all Councillors' wishing to support the Camp, after all without the Camp Stanley would never have come to anything in the first place. I believe the whole thing that started the sub-division that Richard referred to was the drop in wool prices. We can only really hope for a raise in wool prices to make the Camp viable again, otherwise it is going to cost us quite a lot of money to keep the camp going regardless of what we do. We have to take that on board I believe and that's one of the things that we'll have to be addressing. On balance I think I do support the Select Committee but with the reservations I've just expressed.

The Honourable Mrs N Edwards:

Sir, I too support the sentiments of this Motion absolutely. It would be lovely to see the Camp re-populated and encourage young people back but the truth is that there is no money in the Camp other than what comes from Government and nobody's going to come and sit on a windy peat bog unless you've got something to offer them. And we don't have the cash and will not have the cash to repopulate the Camp until such time as the wool prices rise. I too am not sure that a Select Committee is the way to go about this, it needs a lot of discussing. Perhaps with FIDC and perhaps a couple of days as a Seminar to air all our views might be the best way to do it. Perhaps at Farmers' week I'm not sure but in essence I support the Motion but until there's some cash about, independent cash and until the farms are viable again there really is going to be no big re-population of the Camp that I can see although I would welcome it tomorrow if it happened. Therefore I do support the Motion.

The Honourable Mrs C.W. Teggart

Sir, I'd like to rise to support this Motion. Like a lot of the other Members of this Council, I'm not sure what the answers are for Camp but I'd like to feel that we are at least looking at answers, we were discussing the possibilities that could arise from re-population of the Camp. There's a lot of land out there, there's a lot of things that could happen. I think it's important that we are at least discussing them and that we have a forum to do so and I believe the establishment of a Select Committee to look at this is important, so I support the Motion.

His Excellency the Governor:

As I understand it from my addition then the Motion is carried.

The Honourable the Attorney General:

Sir, I mention to the Honourable Councillor Stevens that he will be the Chairman of the Select Committee under the Standing Orders of the House unless the Members select another Member to Chair. That is as a result of the Standing Orders. If he is not content to be Chairman of the Select Committee, what I am saying, Sir, is now is his time to say so that the Members can select another Chairman.

His Excellency the Governor:

Councillor, are you content to be Chairman of the Committee?

The Honourable R.J. Stevens:

Yes I am.

Council then adjourned for lunch.

The Honourable R.J. Stevens:

Your Excellency, Honourable Members. I'm a novice when it comes to the technicalities of procedures in Council and if the way forward is in some other area then I'm quite willing to go along those lines.

I'm disappointed that Councillor Eric Goss decided not to support my Motion and then siting the Review Board and FIDC and I feel answering that, if we look at the Review Board that the majority of the people on that Board are not affected by the natural forces in camp, and also the Review Board really looks at Landholdings where upon I would like to see a policy for everybody, for every farm, for everybody in camp and that would be the same criticism of

FIDC. When it comes to cash and money it will cost money but I did bring up a few things hopefully that were ways forward that wouldn't be too expensive. Thankyou Sir.

His Excellency the Governor:

Councillor, can I ask one question since my flock won't raise 20 tonnes of greasy. What sort of a flock produces 20 tonnes of greasy?

The Honourable R.J. Stevens:

I'm told by the Deputy Financial Secretary that to talk in greasy terms doesn't mean very much. However, I think perhaps a farm around the 5,000 sheep mark is probably a general idea.

His Excellency the Governor:

Thank you very much. I think Councillor Stevens' Motion was accepted. I'm sorry if I prevented you finishing summing up.

Motion by the Honourable J.E. Cheek:

That the Legislative Council hereby establishes a Select Committee consisting of all the Elected Members of the Council, to be known as the "Select Committee on the Review of the Constitution", and having the following Terms of Reference.

1. To consider whether, and if so what, changes should be made to the Constitution of the Falkland Islands;
2. For that purpose
 - a) to invite and consider written and, if the Committee sees fit, oral representations on the subject from members of the public; and
 - b) to seek and consider the advice and views of such Officers of the Government as the Committee sees fit.
3. To submit its written Report to the Legislative Council within approximately twelve months from today with a view to any changes sought by the Legislative Council and agreed upon by Her Majesty's Government in the United Kingdom being implemented in time for the next General Election".

Your Excellency, Honourable Members. Firstly, my apologies to the Clerk for such a long Motion on her first time in Council.

It's something like eight and a half years now since the current Constitution was implemented, probably nearer eleven years when most of the ideas were obtained from the electorate for the current Constitution. I think there are a number of things that need looking at and I'll just mention in passing they are not necessary those that I have, strong views about myself, but I know that there are those that at least a number of people have spoken to me about.

The one that will probably cause the most heart-searching amongst both Members here today and the electorate is the ratio of Members between Stanley and Camp. Indeed whether we should have Stanley and Camp. Whether we should have full time Members, or just a few and considering whether we should have them whether we could actually get them. The question which we discussed in considerable depth last time and featured in the questionnaire that we put out to the electorate is whether we should have one House or two. That is both Executive Council and Legislative Council or whether there should be just one body. Again there are

arguments in favour of either or both. And also something that's raised its head in the last year or so is who should be able to vote. We now have quite a few newcomers to the Island who are now here on contract who if they care to register would have been able to vote. It said, I'm not sure rightly or wrongly but it said that if they had all registered and if had all voted for the same four people the four current Camp Members, three of them are here today, would not have been elected.

So we have to look at all those points I believe. As I say we may not change things. Do we go on and take more responsibility as Falkland Islanders for our Government? Do we move, or is it the time, I don't know if it is to move forward to ministerial responsibility. This morning the name of the Chief Minister of Gibraltar, where they do have ministerial responsibility was mentioned. Can we have ministerial responsibility without political parties? Does one have to follow on from the other. I don't know but I believe that in the Channel Islands where they do have, I believe, ministerial responsibility; at the same time I believe they do stand independently, so that may answer that question. So all I can do at the moment is throw a lot of questions up in the air. If this Motion is passed then I think we have to ask questions fairly rapidly of the electorate to give us some steer. It won't be a counting of votes and that is the Constitution, it doesn't quite work like that. But at least I think we should ask for some sort of steer from the people out there who elect us and will elect Councillors in future. I think that's more or less all I have to say apart possibly from the time scale that we're looking at. It's now coming up for three and a half years until the next election and this process takes a considerable amount of time. The Motion itself suggests that we can come up with our proposals in twelve months; I hope we can but that's going to be a lot of fast work particularly as a lot of us will be away from the Islands over the next two or three months so we can't really start I suspect, until the spring. I don't really think we need to say austral spring in this case, we all know what we're talking about. The only problem is when it comes to spring is that four of the members, probably rightly so, say that they are snowed under with work so we're not going to have too much time to fit all this work in. After that twelve months we then I suspect have to tidy it up, check it out with the Foreign Office, it goes ultimately to I suppose the British Government and they say want they want, whether they accept it, modify it or whatever. So three and a half years is not a lot of time in which to do all this, if indeed we want to do anything. Sir, I propose this Motion.

The Honourable Mrs N Edwards:

Your Excellency, Honourable Members. In rising to second this Motion I've really little to say to add to Councillor John Cheek's remarks. I think it is necessary to have a look at it, whether we change it eventually or not remains to be seen but it needs a good airing; there are points that people ask about, there are alterations that some people want to see to the Constitution and certainly the voting rights of our young people who go abroad for further education needs looking at seriously because if they are outside of the Colony for more than six months then they can't vote in a general election and as most of them are away for sometimes a considerable number of years, for more than six months of the time in any one year, then that certainly needs looking at. But I'm pleased to second the Motion that the Honourable Mr Cheek has put forward because I think it's time we sat down and went over it quite carefully, we won't I think have to change too much but there are some points that may need looking at. Thankyou Sir.

The Honourable the Attorney General:

I ought to respond with information to something that the Honourable Norma Edwards has said as to the qualifications for voting in election for children who are overseas or students who are overseas. That is not a matter, in fact, of the Constitution at all. That is something that we can deal with, if Council desire, under the Electoral Ordinance so that should not be a Constitutional problem. My memory is, and I am speaking entirely from memory, is that the Electoral Ordinance in fact provides that someone who is absent for educational purposes is treated as resident. But a person who remains outside the Islands other than for a permitted absence, and education is one of the permitted absences for more than six months in a period

of twelve months, that is the twelve months up to the 15th May, will not be treated as being resident. So it's possible that a student abroad for education's sake, say at University, who then takes a year away before he comes back to the Islands, in that gap year, they will not be resident in the Falkland Islands. That I think is a consequence. There are also unfortunate consequences and I recognise that, in relation to children who through an accident of history or because of complication relating to their birth, were not born in the Falkland Islands but born elsewhere, and when they go away for education and they stay away for a year then it can take five years for them to acquire a qualification again. I recognise that these things are things which cause concern. I think they should be looked at, I'm merely pointing out; that they are not matters for the Constitution although other matters relating to qualification are. For example, Honourable Members have raised the question of persons who may have been living at MPA in fact for a number of years. That raises a difficulty in relation to electoral qualification: that certainly we need to look at, and that is constitutional, but the other changes that the Honourable Member refers to, Sir, in relation to qualification by way of residence, those can be dealt with and we don't need to trouble the Constitutional Select Committee with those. If Councillors wish those to be looked at then they will be looked at and we can see what proposals we can come forward with for legislation. Those are in our hands.

The Honourable Mrs N Edwards:

Thank you Attorney General, I'm sorry, I was misled I think because my own daughter was not allowed to vote.

The Honourable the Attorney General:

I'm aware of the circumstance with the Honourable Member's daughter and it is one of these unfortunate cases. They do say "hard cases make bad law" and I'm really saying - "well let's have a look at those laws and see what we want, but that's not constitutional".

The Honourable J.E. Cheek:

I presume that this Motion will be passed, I've proposed a seconder and no one has objected to it. I think my learned colleague has highlighted one or two of the many oddities with our Constitution that we certainly never thought of ten years ago but I'm pleased to say that students, certainly when they were born in the Islands can vote. I know my two daughters did, whether they voted for me I'm not sure so whether it's worthwhile I'm not sure either. But there are other oddities for example, someone coming to the Islands after five years who gets a vote, if he or she then goes away for six months and becomes disenfranchised it then takes another five years before they come back on the electoral roll and I don't think, I know that wasn't what we wanted initially but it's one of those things that is so absurd. So there are many other minor problems other than those that I have mentioned. So I look forward to this Committee Meeting and the views of other Members of the Committee and of the electorate in the future. Thankyou Sir.

His Excellency the Governor:

I take it that there have been no voices raised against; I take it that Councillor Cheek's Motion is passed.

ORDERS OF THE DAY - BILLS

The Appropriation Bill 1994

Clerk:

This Bill is laid on the Table under a Certificate of Urgency.

The Honourable Financial Secretary

Your Excellency.

The purpose of this Bill is to appropriate and authorise the withdrawal of £33,319,690 from the Consolidated Fund to supply expenditure votes contained in the draft estimates for the service of the financial year commencing 1 July 1994. This legislation is required by the Constitution, and in accordance with the provisions of the Finance and Audit Ordinance 1988. Honourable Members will find a reproduction of this Bill on pages 5 and 6 of Part 1 of the draft Estimates.

With the objective of a more effective presentation, I will minimise the reciting of large quantities of figures in this verbal presentation. A memorandum has been issued to Honourable Members to explain and support the draft estimates and Appropriation Bill. An abbreviated version of the memorandum will be made available for the media and for anyone who would like a copy. Additionally, and as far as I am aware, for the first time at this stage of the Budget process, explanatory notes have been inserted in the draft estimates. I make no apologies to Honourable Members for the large volume of paper they have received in connection with the budget. I trust that the additional information will assist them at the Select Committee proceedings when examining the suggested level of public service activity, capital investment, social and development assistance to be approved by government during 1994/95.

Before dealing with the 1994/95 Budget I will briefly review the 1993/94 financial year:

Despite an extremely poor illex season a budget surplus of £5.7 million is forecast, an improvement of £3 million from that indicated in the approved estimates. This surplus is after taking into account a proposed transfer of £2 million to the sinking fund in respect of an initial contribution towards the cost of providing a new and permanent port facility to replace FIPASS. The authority for this transfer is sought by the Supplementary Appropriation (1993/94) Bill 1994. It should be noted that approximately £1 million of the revised surplus for this year is due to underspends on capital projects for which provision has been inserted in subsequent years. As a result of the increase in surplus it is forecast that the balance of the Consolidated Fund at 30 June 1994 will reach £61 million. This represents around 3 years operating expenditure or 2 years total expenditure and is an appropriate point to start the report on the 1994/95 Budget:

Total revenue and expenditure are estimated at £33.4 million and £33.3 million respectively leaving a marginal surplus of around £100,000.

Income from fisheries is inserted at £16.7 million which is £1.5 million less than the revised estimate for this year and represents exactly 50% of total revenue or 58% of operating revenue. Following the poor current illex season this and future projections can be regarded as extremely fragile.

As indicated by the marginal surplus almost all estimated revenues are planned to be consumed. This includes £20.3 million for operating expenditures in respect of departmental submissions to enable government to continue to provide the full range of improved public services we have become accustomed to enjoy. It is planned to spend almost £13 million on capital purchases, projects and transfer payments during 1994/95.

I will now deal with the revenue proposals:

It is proposed that charges levied by the Education Department be revised. Details have been provided to Honourable Members and if approved will be published in due course.

It is proposed that charges levied by the Medical Department be revised. Comments and advice on the proposals have been received from the Board of Health and will need to be considered by Select Committee and Executive Council.

No increase in house rents is proposed at this stage. However, it is recognised that the comparison of rentals for certain properties appear to be inconsistent and it is planned that a review should be carried out soon.

It is proposed that harbour dues be increased by 10% with effect from 1 January 1995. This should generate an additional £75,000 income per annum based on current activity.

It is considered that customs import duty on beer, spirits and wines is presently at an adequate level and therefore no increase is proposed. Although the impact on revenue is small, for health reasons, it is proposed that duty on tobacco products should be increased by 20%. This would put an additional 13p duty on a packet of 20 cigarettes and 39p on a 50 gramme pouch of tobacco. The Customs (Amendment of Import Duties) Resolution 1994 would implement the proposed increase as follows:

Cigars from £59.70 to £71.64 per kilo
Cigarettes from £43.18 to £51.82 per kilo
Tobacco from £39.24 to £47.09 per kilo

The significance and importance of taxation as a revenue item has lessened considerably over the years since fishing licence income has been received. In 1985/86, the financial year prior to the declaration of the Fisheries Zone, revenue from direct taxation of £1.7 million represented 29% of operating revenues. In 1992/93 revenue from direct taxation of £2.5 million represented only 7% of operating revenue. Since the declaration of the Fisheries Zone the Consolidated Fund balance has increased from £3 million to £55 million at 30 June 1993 and to an estimated £61 million at 30 June 1994. This means an average of £7 million per year over the past 8 years has been set aside to bolster the general reserves. As a result the welcome return on the investment of those reserves is the second largest source of revenue to government. Additionally, during the same period, approximately £19 million has been set aside in special funds to meet future obligations and contingent liabilities. It is therefore considered that, at this stage of the development of the Falkland Islands, the tax take by government should be reduced.

The last reduction in personal taxation was approved in 1991 with effect from 1990 income. Estate duty was abolished in 1987 and stamp duty was abolished in 1991.

It is proposed that two levels of taxation should be eliminated altogether, namely General Rates in Stanley and Medical Services Levy.

The decrease in revenue from the elimination of rates is estimated at £240,000. Revenue from domestic premises rates amounts to approximately £140,000 and revenue from commercial premises rates amounts to approximately £100,000.

It is proposed that water charges be introduced for all domestic and low consumption commercial premises at a standard annual charge of £100 per household or business unit and that the supply of water to selected commercial premises be metered at a charge to be determined. It is estimated that revenue of £80,000 per annum will be generated by the proposed water charge, that is £160,000 less than rates. As a result of the elimination of rates it is proposed that domestic refuse should continue to be collected in the normal way at public expense, but that commercial premises' refuse be collected by private arrangement.

The decrease in revenue from the elimination of Medical Services Levy is estimated at £400,000 per annum. However approximately £100,000 or 25% of this revenue was in

respect of an internal transfer from expenditure to meet government's liability as an employer.

The Finance Bill 1994, on the Order Paper for discussion after this Bill, provides for the abolition of general rates in Stanley, makes amended provision in relation to water rates and water charges, both with effect from 1 July 1994, and provides for the repeal of the Medical Services Levy Ordinance 1979 with effect from 1 January 1995.

To reduce the overall tax burden and to completely remove persons on low incomes from the tax net it is proposed that income tax allowances be increased as follows with effect from the 1995 year of assessment, that is in respect of income from 1 January 1994:

- Personal allowance from £3,200 to £5,000
- Deduction for wife from £2,050 to £2,250
- Wife's earned income relief from £3,200 to £5,000
- Additional personal allowance from £1,100 to £1,300
- And dependent relative allowance from £1,100 to £1,300

The 15% earned income relief and the age allowance to remain unchanged.

Based on the distribution of taxpayers in respect of 1992 income the proposed increase in allowances would remove at least 55 single and 84 married persons from the tax net. The public will undoubtedly be interested in some comparisons of tax on sample incomes using the proposed allowances and earned income only:

A single person with annual earnings of £10,000 would pay £647 compared with £1,007 on existing allowances. A married couple with the husband earning £10,000 and the wife earning £6,000 would pay £217 compared with £977 on existing allowances. More examples can be made available if required. Incidentally those earnings in the United Kingdom would attract tax of £1,489 and £1,656 respectively. The reduction in revenue from the increase in tax allowances is estimated at £400,000 for 1994/95.

As you mentioned in your Address, Sir, the Taxes Bill 1994, to replace the Income Tax Ordinance, has recently been published in the Gazette and its enactment will be considered at the next meeting of Legislative Council. It is therefore proposed that the revised allowances should be introduced at the Committee stage of the Taxes Bill 1994.

The total revenue to be foregone as a result of the proposed reductions in taxation, that is general rates in Stanley, medical services levy and income tax is estimated at £860,000 per annum at current levels. In addition to providing an obvious direct benefit to the taxpayer an opportunity exists for the private sector to obtain indirect benefit. If the proposals are approved, the decrease in revenue to government means that £860,000 will remain in peoples' pockets and in business tills and I would therefore encourage the private sector to take advantage of this additional disposable income by providing goods and services to match demand before it is lost to the economy of other countries.

Turning now to the application of revenue, operating expenditure has been inserted in the 1994/95 estimates at £20.3 million and represents a 7% or £1.3 million increase over the revised estimate for 1993/94. A detailed analysis of the expenditure is provided in the supporting memorandum.

Provision of around £250,000 is included to implement the proposed increase of approximately 6% in established staff salaries and £240,000 is included to fund the salary costs for approved new positions. A contingencies provision of £85,000 has been included to enable automatic cost of living award adjustments to continue to be applied to the hourly paid wages to match any upward percentage movement in the quarterly review of the retail prices index. Provision has been included to effect an increase of 2% in public service pensions with effect from 1 July 1994.

With regard to old age pensions it is proposed that both contributory and non-contributory benefits be increased as follows with effect from 1 July 1994:

Non-contributory married pension from £76.00 to £89.00 per week

Non-contributory single pension from £54.50 to £57.00 per week

Contributory married pension from £88.00 to £93.00 per week

Contributory single pension from £56.50 to £59.50 per week

The proposed revised benefits provide a minimum increase of more than treble the movement in the retail prices index for 1993. In comparison it is interesting to note that the basic contributory state retirement pensions in the United Kingdom at £92.10 for a married couple and £57.60 for a single person are currently less than our benefits. Also the United Kingdom non-contributory pensions are considerably less generous at approximately 60% of the value of a contributory pension payable from age 80 compared to approximately 95% payable from age 70 in the Falkland Islands. An additional benefit for our contributory old age pensioners is that wherever in the world they choose to live their pension is guaranteed and they continue to receive the annual increases.

The cost of non-contributory pensions is provided under the Social Welfare head of service in the estimates.

The cost of contributory old age pensions is met from the Old Age Pensions Equalisation Fund. In order to maintain the value of the fund it is proposed, in accordance with actuarial advice, to increase weekly contributions by approximately the same percentage as benefits as follows:

Self-employed from £12.70 to £13.40

Employer from £7.60 to £8.00

Employee from £5.10 to £5.40

Due to the decision last year to transfer £4 million from the Consolidated Fund to the Old Age Pensions Equalisation Fund there is no longer any need to provide an annual subsidy to the fund.

Provision of £15,000 is inserted under the Social Welfare head of service in the estimates to enable a Christmas bonus, equivalent to one week's pension, to be paid to all old age pensioners again this year.

Family allowances were last increased from 1 January 1993. It is proposed that they be increased with effect from 1 January 1995 as follows by approximately 6%:

Child allowance from £41.00 to £43.50 per month

Single parent allowance from £34.00 to £36.00 per month

At existing rates the cost of family allowances are estimated at £288,000 for a year. Provision of £297,000 is included under the Social Welfare head of service in the estimates to cover the increase from 1 January 1995. The cost of the increase is estimated at £17,300 for a full year.

For comparison purposes the current monthly rate of child benefit in the United Kingdom is £44.20 for the eldest child plus £35.75 for each other child. The United Kingdom one parent benefit is less than £27.00 per month and, unlike our single parent allowance, is not payable to a single parent who is living with someone as husband and wife. The United Kingdom benefits, like ours, are tax free and are payable regardless of level of income or

value of assets.

I now deal briefly with the capital expenditure for 1994/95 inserted at almost £13 million. Capital expenditure is funded from local revenues with the exception of £1.1 million of EEC STABEX monies. The capital estimates, shown under eleven cost centres, can be summarised as follows:

Capital asset purchases and projects are allocated	£6.8m
Loans and investments are allocated	£1.9m
And transfer payments are allocated	£4.3m

A more detailed breakdown is provided in the supporting memorandum at page 8 and full details can be found in the capital estimates.

The planned levels of expenditure can only be sustained if the forecast of revenue is achieved. The poor illex season has cast further doubt on future revenues and confirmed once again the fragile economic base the Islands' have become dependent upon. The fragile nature of our economy is not new but dependence on the income Government receives from issuing fishing licences is. In our efforts to spend the new found wealth on capital infrastructure for improved public services and social needs, the ever increasing amount of recurrent expenditure, necessary to maintain those services and needs is not always fully appreciated. As mentioned every year our financial independence can only be sustained if the temptation of spending and committing more than we are able to sensibly afford can be avoided. Our expectations have become greater and to slow them down we need to engage a lower gear. If we plan to engage a lower gear sooner rather than later it will hopefully enable us to remain in high range without the need to move to low range to help recover from an unplanned situation. Elected members of Legislative Council are firmly in the driving seat but I trust that they will take account of the caution expressed by their backseat driver.

I am grateful to Heads of Departments for co-operating once again in the production of a balanced budget and to Treasury staff involved in assisting in the preparation of the draft estimates.

This, Sir, concludes my budget presentation and I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable J.E. Cheek:

Your Excellency, Honourable Members, it's always difficult speaking to this Bill at this time but it's the only chance that we have. We're all very conscious that we will be going into Select Committee and discussing it in great depths but unfortunately at that point the public are not privy to what we say. Incidentally, Councillors looked at the possibility of holding Select Committee in public. Constitutionally, I believe there's nothing against it but on balance for a number of reasons: 1) for example is that we could be discussing individuals, 2) is that it's Councillors chance to meet Heads of Department and we suspect that Heads of Department, if speaking in front of the public might not be, or put it another way, might be rather more careful what they say so on balance we felt that we should continue to hold it away from the public's eye.

Just one or two points. Early on it was said that medical charges will be revised. I would just like to assure the public that most of the medical services they receive, they will continue to receive free. The medical charges largely apply to non-Islanders who have to make payments. I think everyone would be extremely happy about the removal of MSL and rates and reduction in taxes. I'm not sure if this is a good move or not. I rather feel that we should be doing this in the fourth year of this Council, rather than the first. I suspect by the fourth year most

people will have forgotten that we are proposing to do this. I think the only other thing that I have to say is regarding taxes. It surprised me to learn that the extremely large amount of payments in kind that some people are now receiving largely from their own companies, I think this is something that we have to give close consideration to. I think its grossly unfair on those people who receive ordinary wages.

That is all I have to say at the moment Sir, I support the Motion.

The Honourable C.D. Keenleyside:

Sir, in rising to speak to the Bill. We've tried to get rid of some of the niggly things that people don't like. For quite some time now folks have been saying why do we still pay MSL and other similar charges so we have tried to do something about getting rid of some of those things. I hope that this will be a popular budget from the public's point of view, particularly in that they will end up with a lot more spending money at the end of the day, that is of course if they earn it in the first place.

One thing I would like to say about the water rates. At the moment we've got this £100 set up as a water rate. We did also decide in Executive Council that if anybody wanted to have a water meter installed they could have if they were prepared to pay for the installation, so if they felt that they were being overly charged for water rates at any time. Also we may be looking at reduced rates for those who are less able to afford water rates, such as senior citizens for example but all in all I think it should be a popular budget and I support it.

The Honourable Mrs N Edwards:

Sir, in rising to speak to the Bill I congratulate the Financial Secretary for all his effort and hard work he has put in over the year and in producing what looks to be a pretty good deal for the public. I don't live in Stanley so I'm not subject to rates or water rates but I know there is some feeling from members of the public in Stanley, that they are not too happy that rates are going to be demolished. I think it may well be that we are subsidising what would be a rate payment or not Government subsidising it, but the people who most need water like the butchers and the bakers and the people with hotels will be paying I presume, a whole lot more than they would if they were paying rates and if you demolish the rates absolutely then there's no onus on PWD to make sure that things are done properly, collection of refuse etc etc. However I'm willing to be shot down in flames on that if the other Members can convince me. I cannot see that private businesses are going to like having to pay to have their rubbish taken away when the rest of the Community are going to get it for free. However, but apart from that I won't comment on cigarette duty; I don't think I have any right to, obviously you want to see me round for a lot longer yet Derek, price me out of smoking. But all in all I think it looks like a pretty good budget. Thank you, Sir.

The Honourable Mrs C.W. Teggart:

Yes, Your Excellency, Honourable Members. As Councillor Cheek said earlier this is the occasion we get to stand up and say what we like or we don't like about this Bill. On the whole it seems to me to be a pretty good one. No doubt when it comes back towards the end of the week, some aspects of it will have changed, but I think not greatly.

I think on the whole the poorer paid people will be better off from the proposed increase in the level at which tax will begin to be charged and I think that that is a good move. I also feel that a lot of people in Stanley will welcome the abolition of the rates system because I think for many years people have felt that they were paying rates and they weren't necessarily getting the service for which they were paying, and hopefully the removal of this from their annual charges will help people considerably. There has been, and I think there will be, some considerable debate about the water rates. Several people have said to me that one person living in a house will not use as much water as six people will, and yet also I can imagine those same people who are possibly elderly people living alone are also going to feel that they

are not going to want to pay for the cost of the installation of a water meter. So I feel this is something during the week is going to merit some discussion and who knows what the outcome of that will be.

I cannot agree with Councillor Edwards' suggestion that the businesses will not like to pay for their rubbish removal. I think if you look around most of the businesses in Stanley, most of them don't rely on rubbish drums, most of them have a skip outside for which they will be paying anyway, so I don't feel that this is going to make a great deal of difference to them. In that they won't be paying rates for a service that they are not getting simply because of the need to hire a skip for the removal of most of their rubbish.

The proposed increases for the old age pensioners, family allowances I also welcome as I feel this will be money going in a good cause and so, Sir, I support the Motion.

The Bill was read a second time and referred to a Select Committee of the House.

The Finance Bill 1994.

This Bill is laid on the Table under a Certificate of Urgency.

The Honourable the Financial Secretary:

Your Excellency, I made reference to the Finance Bill 1994 under the revenue proposals in my budget presentation. There are three purposes of this Bill all in connection with reducing the tax taken by Government. The first is to abolish general rates in Stanley with effect from 1 July 1994. That will be done by clause 2 but general rates owed in respect of the past would remain collectable. The second is to enable a charge to be levied for the supply of water to domestic and commercial premises in Stanley not related to any nett annual value of the premises concerned. That would be achieved by clauses 3-6 of the Bill. The third is to repeal the medical services levy ordinance 1979 with effect from 1 January 1995. This would be achieved by clause 7 of the Bill under which levy arising in respect of a period of employment or self employment before 1 January 1995 would remain payable and collectable. Executive Council has agreed that Finance Bills like their expenditure counterpart Appropriation Bills should become part of the annual budget process. The virtue of Finance Bills is that all revenue proposals requiring amendments to Ordinances can be combined in one piece of legislation. It is intended therefore that future Financial Bills will include proposals such as changes to old age pension benefits and contributions, family allowances, tax rates and allowances, licence and other statutory fees. I beg to move the first reading of the Bill.

The Bill was then read a first and second time and referred to a Select Committee of the House:

Resumption of Debate on Motion Number 1/94 Amendment of Clause 22 (9) (b) of the Standing Rules and Orders

The Honourable W.R. Luxton:

Your Excellency, Honourable Members. The proposed deletion of section 22 (9) (b) was not advised by the Attorney General and he explained his reasons at length the other day. I've since consulted with him and I think some if not all Councillors have seen his proposed alternative which should read as follows:-

In place of the existing paragraph (b) it should read -

"(b) read a speech -

- (i) which in all the circumstances of the case, having regard to the usual practice of the Council and the subject matter of the speech, is of inordinate length; or

- (ii) of which he is not himself the author (save that this does not apply to an official member when speaking in relation to a matter of Government business);"

I would propose that we accept the Standing Orders that we have in front of us with that amendment.

Council agreed to the proposed amendment

The Honourable the Financial Secretary

Report of the Select Committee on the 1994/95 Estimates

Your Excellency

This report covers both the Appropriation Bill 1994 and the Finance Bill 1994 referred to the Select Committee on the Estimates.

The Committee occupied two full days, on Monday and Tuesday of this week, in examining the Draft Estimates of Revenue and Expenditure for the forthcoming financial year. All Heads of Department and, where appropriate, Section Heads, attended the meeting to justify their budgets and answer questions put by members of the Committee. Officers were given the opportunity to address the Committee on financial matters affecting their departments so it was not a one way interrogation. At times the debate appeared from eight different directions at once but on these occasions the Chairman soon brought the proceedings to order in his customary formidable style. I am sure that all those who took part in the proceedings could not help by being impressed at the speed the business was conducted. The additional information provided in the Draft Estimates and the various supplements prepared by the Economic Adviser ensured that thoroughness was not sacrificed for speed.

Details of the amendments made to the Draft Estimates have just been circulated to Honourable Members. There were no significant changes, many of them being adjustments under the Public Works Department for recording wage costs for Capital projects and separating asphalt production from the quarry production.

In summary, the estimate for total revenue was increased by £422,220 and the estimate for total expenditure was increased by £294,500 to produce an increased marginal surplus of £198,020.

The revenue adjustments include a decrease of £1,000 to reflect a reduction in the fee for a dog licence from £28 to £15 with effect from 1 January 1995 and a decrease of £5,000 to permit the hydatid preventative drug, Droncit, to be issued free of charge to owners of working dogs with effect from 1 July 1994. The revised dog licence fee of £15 covers the cost of the drugs for non-working dogs. Under the Falkland Islands Government London Office head of service, revenue provision of £2,400 was removed to allow guests to the 1995 reception at Lincoln's Inn to be invited free of charge. It is not planned to reintroduce the charge in subsequent years.

The expenditure adjustments include funds for the following particular items of public interest:

£13,500 for the Medical Department to lease an ultraviolet monitor for five years;

£6,500 for the Medical Department to purchase equipment in connection with the bowel screening programme;

An increase from £8,000 to £10,000 for the purchase of books for the public library;

An increase from £5,000 to £7,500 in the annual donation to the Falkland Islands Association in the UK;

£15,000 for improving reception of TV transmission in the Camp;

An increase of £50,000 from £350,000 to £400,000 in the provision for oil related consultancies. Expenditure to date is noted at approximately £435,000 and it was recognised that there is an ongoing requirement for specialist assistance and advice from organisations such as BGS and AUPEC and other consultants such as Peter Pryn for example.

It is anticipated that all expenditures on oil related matters will be recovered from our share of the proceeds from the sale of seismic data and from acreage rentals during the next exploration phase.

In achieving a balanced budget the purpose is not just to produce a surplus of revenue over expenditure but also to provide a balance of operating and capital requirements, a balance of essential and social services and a balance of public and private sector activities. It is highly unlikely that everything will be precisely balanced, no matter how hard one tries, but particular effort has been made in relation to capital projects to ensure, as far as possible, that full employment in both the private and public sector is maintained and that the need for external resources is kept to a minimum.

The increase proposed in Old Age Pension benefits and contributions were approved and will be dealt with in detail under the appropriate Bills. The increase proposed in family allowances was approved but the continuation of the payment of the single parent allowance to single parents who cohabit was not supported by all Members. In this regard it was requested that the law should be reviewed again by Executive Council. It was also agreed that, following the approval to substantially increase the personal allowance under the Income Tax Ordinance, family allowances should be subject to tax. The Taxes Bill 1994 will need to be amended to accomplish this.

I now turn to the revenue proposals:

The increase in Education Department fees was confirmed. The list of revised charges will be published and will be available from the Education Department in due course. The fees affected are those for the sports facilities, the School Hostel for non-resident families and hire of rooms and halls.

The revised meal charges at the hospital were confirmed. This affects meals for staff, meals on wheels and meals at the Day Centre.

It was agreed that dentures should continue to be provided free of charge for residents.

It was agreed that cosmetic dental surgery be charged at the cost of the dental materials plus 10% to cover postage. Old Age Pensioners and children would continue to receive free cosmetic dental surgery.

It was agreed that spectacles be provided free of charge for residents, restricted to one pair every two years per person and limited to an NHS equivalent range of frames and lenses. People requesting a higher standard of frame and lens will be required to pay the difference in cost.

It was agreed that pharmaceutical products which do not require a prescription should no longer be issued free of charge. A list of items and prices of medication that can be purchased from the Hospital Pharmacy will be sent to all retailers so that they can purchase direct if they so wish. It was also agreed that these non-prescriptive items would be available from the Hospital Shop.

It was agreed that a charge for long-stay hospital residents should be reintroduced. A charge of £4 per day was approved.

An increase in the medical charges for non-entitled patients was approved.

All changes to the charges levied by the Medical Department to be effective from 1 July 1994.

The proposed increase of 10% in Harbour Dues was approved with effect from 1 January 1995.

The proposed increase in import duty on tobacco products was approved but not unanimously. A Resolution follows to bring the revised rates into force with immediate effect.

The proposed increases in income tax allowances were approved. It was agreed that the income tax allowances be amended when the Taxes Bill 1994 is introduced at the next meeting of this Council.

It was agreed that general rates in Stanley should be eliminated and that a water charge should be introduced with effect from 1 July 1994. The proposed standard annual charge of £100 per household and low consumption business unit was agreed. It was also agreed that the supply of water to designated commercial premises be metered at a charge to be determined. The Finance Bill provides for the Standing Finance Committee to fix all water charges and this will be on the Agenda for the June meeting.

It was agreed that domestic refuse should continue to be collected in the normal way at public expense but that designated commercial premises refuse be collected by private arrangement. The Committee suggested that in the event such arrangements were not carried out adequately, for public health reasons, Government should provide a collection and disposal service at a greater cost than that charged by the private sector. The term "designated commercial premises" is to be defined. The Committee requested a review of the skip service operated by Government.

The abolition of Medical Services Levy with effect from 1 January 1995 was agreed.

Councillors agreed that regardless of the amount of revenue received in the next financial year the expenditure plans should remain firm and that following years budgets should take any change in revenue into account. Concern was expressed about the reduction in taxes at a time when there was further suspicion about future fishing revenues. However it was generally accepted that there was a larger scope for a reduction in future year's expenditure, if necessary, and that taxes are a flexible tool subject to increase as well as decrease. To follow the decision relating to the continued tax exemptions at MPA and to create the level playing field the aim must be in the longer term to reduce taxation further. Low income tax, no property tax, no import taxes, no value added tax and no national insurance will also assist in attracting oil development activity.

I believe we have achieved a fairly well balanced budget and that as a result all sectors of the community will benefit. I thank all officers and elected Members for their assistance throughout the budget process.

That, Sir, concludes my report of the Select Committee proceedings on the 1994/95 Estimates.

His Excellency the Governor:

Does any Councillor wish to move that the Report be accepted?

Councillor Edwards accepted the Report and Councillor Teggart seconded.

The Appropriation Bill is now referred to the Committee of the whole. Does any Member

wish to speak to the Motion?

The Honourable Mrs C.W. Teggart:

Your Excellency, Honourable Members. The last thing I wanted to do I must admit was to stand up first to speak to this Bill but there seems to be a general reluctance around the Table to say something.

I'd like to begin by thanking the Financial Secretary and his staff for the work that they put in to the preparation of the Appropriation Bill and the Finance Bill. The fact that we got through Select Committee when we spoke to all the Heads of Department in just a couple of days shows just how much work they had put in. I can remember Select Committees going on for a week and Heads of Department being in there for hours at a time; so I'd like to thank him and his staff for I think probably having weeded out some of the more controversial things before it reached us. The Heads of Department as well were also extremely helpful. I think perhaps if I confine myself to some of the things that I've been opposed to over the couple of days rather than go into great detail on a lot of them. I am opposed to an introduction of a water rate because I feel that it is going to cause more problems than it is worth because there are going to be cases where single people living in large houses are paying their £100 water rate whereas you are going to get half a dozen people perhaps sharing a flat who are also just going to be paying £100 and I think there are going to be anomalies.

Once again the smokers have been hit quite hard. Not being a smoker myself I nonetheless have some sympathy with those who like to have a quiet puff at their more nervous times and I honestly don't believe this argument about how damaging it is to health, holds water. Any one who smokes is well aware of the risks they are taking. I sometimes wonder if everyone who drinks as well is as aware of the risk and I wouldn't mind betting, although I don't have any figures on the subject, I wouldn't mind betting that alcohol related diseases take up more of the Medical Department's time than those that are caused through cigarette smoking.

I very much welcome the free Droncit for the dog owners in Camp. I hope that that will encourage them or the few who have been guilty of not pilling their dogs properly in the past. I hope that we've all encouraged them to do so and the reduction of the dog licences for town because there is one section of the community who we know have their dogs pillled regularly and that is the Stanley owners and they were paying an exorbitant amount for the drugs that were used. I would have liked to have seen a limit put on the number of dogs that a shepherd could keep because I do believe that there are probably cases where people keep far more dogs than are absolutely necessary and I would have liked to have seen free Droncit for the first six dogs and then the person paying a licence for others that they keep as pets or just hanging around and if someone has got a retired dog I don't think that they would mind having to pay their £15 a week to reward a loyal servant.

I know that in the future the Family Allowances Bill will come before us probably at the November Meeting. I am really opposed to the idea of taxing family allowances, I feel it's a contradiction in terms to tax an allowance that is given to someone and I feel there is too much of the situation where we are giving away with one hand and we are taking back with the other. So I do oppose that and I will be opposing it when the Bill comes before us in the future.

I also have great reservations about stopping single parent allowances to those who co-habit, I think it's a can of worms that I don't particularly want to open. When is a person co-habiting and when are they not? I can think possibly of some cases in the past where you might be co-habiting one week and the next you're not and then you might be again one month later. I think that it's possible that it could also as I said, open a can of worms.

I have also opposed the introduction of a charge for the residents in the hospital, I don't believe they are there through their choice and although the charge of £4 a day is not unreasonable, I hope that it doesn't discourage people from staying where they are getting the

best care and attention.

Sir, I'd like to support the Bill.

The Honourable E.M. Goss MBE:

I really stand to not only support the Financial Secretary's Appropriation Bill but really in defence of my commitment made on Saturday 28th when I was going to aim at paring down as much expenditure as I could and saving and salting away as much cash as I could. But I have to admit I was knobbed. First by the Stanley flu virus that invaded my system and took my wind away from me, took the wind out of my sails and calmed me and Monday 30th was a very hard weary day for me and I'm sure I missed a lot that went on and I do believe that the Financial Secretary and Heads of Department all took advantage of this disability of mine. But I have to blame also the Financial Secretary and the Treasury staff for not leaving us too much leeway by fine tuning the draft estimates so well that there was no free board for negotiation. And I was alone and like Wendy will now have to go and fight a rearguard action, that's the only attack left to me but what I will say is that we did achieve a little from minus surplus of 70,000 we got another £127,720. Not very much, but on Tuesday 31st up until about 5.30 I still stayed by my position to see if we could reduce the expenditure and salt more away, but that's not as you might think; there's eight Councillors so that was 7-1. There's also the administration and all the people behind this against me so I really had a weak position, but I support the Motion.

The Honourable W.R. Luxton:

Your Excellency, Honourable Members. This debate in itself is a change from previous procedure which I welcome. We used to have a situation where the Appropriation Bill was introduced with the possibility of debate then and we were debating something which was going to be altered so I do welcome this change in procedure. I would like to say that the changes in the emphasis of tax which is going to be a great relief to those on lower incomes were at the instigation of this Council. The changes that were proposed, originally from within the administration certainly didn't quite have the emphasis that we finished up with. The man in the street has said with some justification in the past looking at the enormous fishing revenue that these Islands get, what the devil do we get out of it, and I think now that we can say that they are directly getting something out of it. The people of Stanley have a very large reduction in their rates, every householder will benefit from that, every taxpayer is better off and everybody, tax payer or not, is 1½% better off following the abolition of medical services levy. I would like to commiserate with the Financial Secretary who may be slightly confused. He's obviously not a "Maggie" man having done a major U turn from last year. You may remember that last year, he wished to, because medical services levy was described as a popular tax, he wished to double it and make it twice as popular. But I would like to assure him that now he's abolished it completely this is not going to make it terribly unpopular. With that Sir, I'd like to support the Motion.

The Honourable Mrs N Edwards:

Sir, in rising to speak to the Motion I too would like to congratulate the Financial Secretary and all his team. I think we have a very popular budget I would hope anyway, for the general populace. The lower paid should benefit most from it. Having said that there is one small anomaly. Most of the farming community at present don't pay tax and unfortunately the farming, not the grants, but the assistance that we get has been cut to £250,000 so, and there's an increase in self-employment OAP contributions so the farmer may well not find it so much to his advantage as it is as much perhaps as it is to other people, but overall I think it's a budget that may benefit most people. Like Councillor Teggart, I have to say something on behalf of the smokers as I'm still one. I was interested speaking to Doctor Diggle last night to learn that although some countries increased their prices of cigarettes, in some cases 100% it made no difference to the effect, it didn't decrease smoking in any way due to increases in revenue. It's just something to bear in mind. Very little revenue is earned from this duty and

it probably makes people a bit more bolshie, maybe they think I'm going to stick to my rights if I want to. I hasten to say that I've got some chewing gum which I brought back from UK and I hope I'm a reformed woman by next year. But there's nothing worse Mr Luxton than a conformed smoker who nags everybody else, I hope you don't do that to your wife all the time. Anyway leaving smoking aside, I have my reservations as does Councillor Teggart regarding the skips about town and the new arrangements for collecting them. I understood that the skips were for large garden rubbish. They are now being used for household refuse and I feel that this is not a good thing and I'm pleased that we've decided to look into that situation, hopefully everything will go well. Sir, I support the Motion.

The Honourable J.E. Cheek:

Your Excellency, Honourable Members. As the fourth Member of this Council to get the cold you'll have to excuse my voice. I suspect I got it from a Camp Member so whether this is now a Camp cold or flu I'm not so sure.

I too would like to thank the Financial Secretary and also all the Heads of Department, apart from the London Office one. It gives us a chance to speak to them and more importantly I think to hear their views. Just one or two points I'd like to mention. Income to the Agricultural Department, it's already been mentioned that Droncit will now be free for working dogs and reduced more in line with actual costs for Stanley dogs. I'm very disappointed that the implant suggestion where each dog has an implant so it can be identified has been dropped. I had a phone call from somebody last night who was equally concerned, who knows much more about it, but at the moment we know not how many dogs there are working in the Camp, neither can we identify them and I believe if we are going to stamp out the hydatid disease then we need to be stronger than we are at the moment.

It was mentioned that spectacle lenses will be free to a certain standard. May I assure those who have very complicated and expensive lenses that if they are the lenses that are required and such is set by the doctors that they will be paid up to the standard that they actually need, they won't be just getting cheap and nasty ones.

Although the fishing money is going to be more widely spread amongst people, I think, I know that in fact that we have all been benefiting from the fishing money ever since it started. Those who said that they were getting nothing didn't realise in fact how much their lives had changed over the last 5-7 years. When fishing started here I believe income tax had a maximum of 50%, that was halved some time ago. Many other things including support to the farming community in fact came from the fishing. If we hadn't had the fishing money our lives would have been much harder over the past 5-7 years but this has improved even more and I welcome it, the reduction of taxes, rates etc. It puts more money in people's pockets percentage wise, as someone has already said, it puts more money in the lower paid, their pockets. It also makes money more available to be spent which in itself will help businesses, hopefully local businesses more than those from overseas.

As a reformed smoker I can't resist saying something about this. Certainly my information is that it costs us far more to help those smokers in their older age, it will probably come to me one of these days having been a 40-50 a day man, but we are the more outspoken people and I think if we can help to stop people harming themselves from smoking. Anyhow I look forward to the Member on my right giving up.

Sir, I support the Motion.

The Honourable R.J. Stevens:

Your Excellency, Honourable Members, I too would like to thank the Financial Secretary and his Deputy who have obviously put a lot of work into this budget and I'd like to thank the Financial Secretary personally for listening to my pleas the other day and rushing up from the Secretariat with papers and additional information for me to read through and study before all

the hard work began at the beginning of the week.

Every Councillor had their contribution and I obviously had mine but in general terms what I found very useful was the meetings with the Heads of Department and it became very apparent to me that we could have discussed a lot more things than finances. The things like practicalities, there were times when we wanted to bring things forward, speed things up and we were put in the picture that sometimes speeding up would cost more money, take employment away from our own people, and as a newcomer I found that very interesting and beneficial. My only fear is perhaps the benefits that have been proposed and are hopefully going to benefit everybody might be taken away gradually over the next five years, I hope not. Sir, I support the Bill.

The Honourable Mrs S Halford:

Your Excellency, Honourable Members. In rising to speak to the Motion I too would like to thank the Financial Secretary and his Department on the preparation of the estimates. I do feel however that they were perhaps a bit too well prepared and with all the notes that went with them, it stopped us asking lots of questions although I'm sure on some occasions he wished I hadn't asked some that I did.

With our income not entirely guaranteed with fishing as it is, I feel that we could have been a bit more conservative and not given as many cuts as we have in the form of taxes. It's been mentioned that MSL was a popular tax and already I've had representation from both Camp and Stanley with complaints over the fact that we've dropped it. Although it wasn't a lot of money that people were paying they felt that they were contributing something although very little towards a service and they seem unhappy with this. As far as rates go in Stanley, I'm sure a lot of people and certainly the private sector will be very pleased that they've been dropped because they were paying a large proportion of the rates and probably very unfairly when they weren't receiving any services for them. However again I've also had complaints from some members of the public that the rates have been dropped. They feel now that with them being dropped they can't complain and ask for services which they perhaps get now so perhaps PWD may not have so many complaints coming in.

I have to say that family allowances, I feel that they are very generous. I also have to say that I did oppose the allowance to single parents, especially single parents who are co-habiting. I realise there are single parents out there who can probably do with the additional allowance but having said that they are probably as well off financially as married couples who only have one breadwinner and also have to support a family.

I did feel that there was one saving that we could have made within Government. It was a very unpopular suggestion I hasten to add, I was the only one I think who supported the idea. I did feel that Central Store could have been greatly reduced and a lot of their work put to the private sector. I'm sure this would have not only been a good saving to Government but looked on favourably by many members of the private sector.

I'm pleased to see also that we'll now be paying for the cosmetic dentistry as I feel this is very expensive and wonder if at times some people do not actually take advantage of the system. Sir, I support the Motion.

The Honourable the Financial Secretary:

Your Excellency. Just a couple of items that the Councillors have mentioned. The £250,000 subsidy for farmers, that does represent a reduction from provision of previous years but it is intended that next year the farms be revalued, those with a mortgage with the Government and with FIDC, because most of the problems with the farming community are debt related and a revaluation of the farms will assist in that regard and the remaining £250,000 can be used for income subsidies across the board as well as for other cases of debt where the mortgage is not with the Government or FIDC.

As for the implants for dogs, the provision still remains in the budget and if it is decided to go ahead with that the funding is available. That's all I have to say.

In the Committee stage clause 1 was adopted as part of the Bill

The Appropriation Bill is now referred to a Committee of the whole

The Honourable the Financial Secretary:

I beg to move that clause 2 stands part of the Bill with the following amendments. Delete the words and figures "£33,319,690" and insert "£33,614,190".

Clause 2 as amended was adopted as part of the Bill. Council resumed. The Bill was read a second time.

The Honourable the Financial Secretary:

Your Excellency, I didn't actually read the amendments to the schedule, we should have done, so I shall read those amendments. The amendments to the schedule:-

Head 100	-	Aviation: substitute £1,399,220 for £1,499,220	
Head 200	-	Medical and Dental: substitute £2,092,490 for £2,072,890	
Head 250	-	Education and Training: substitute £2,041,440 for £2,039,440	
Head 300	-	Customs and Immigration: substitute £134,080 for £135,080	
Head 350	-	Public Works: substitute £4,531,540 for £4,180,830	
Head 450	-	Justice: substitute £390,00 for £381,900	
Head 550	-	Police, Fire and Rescue: substitute £560,520 for £562,660	
Head 600	-	Secretariat, Treasury, Central Store, Broadcasting: substitute £2,233,500 for £2,228,370	substitute
Head 800	-	Legislature: substitute £233,340 for £230,990	

Total operating budget substitute £20,630,790 for £20,346,040

Head 950 - Capital Expenditure substitute £12,983,400 for £12,973,650

Total expenditure - substitute £33,614,190 for £33,319,690

The Schedule as amended was adopted as part of the Bill. The Bill was then read a third time and passed.

The Finance Bill

In the Committee stage clauses 1-7 were adopted as part of the Bill and the Bill was read a second time.

The Bill was then read a third time and passed.

The Old Age Pensions (Amendment) Bill 1994

The Honourable the Financial Secretary:

Your Excellency, this Bill brings into effect the increases to contributory old age pension benefits and rates of contributions proposed in the budget. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1-4 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Customs (Amendment of Import Duties) Resolution 1994

The Honourable the Financial Secretary:

Your Excellency, this Resolution will bring into force with immediate effect the increase of Customs Import Duty on tobacco products proposed in the budget as follows:-

Cigars from £59.70 to £71.64 per kilo;
Cigarettes from £43.18 to £51.82 per kilo;
Tobacco from £39.24 to £47.09 per kilo;

The Resolution was adopted.

ORDERS OF THE DAY - BILLS

The Non-Contributory Old Age Pensions (Amendment) Bill 1994

The Honourable the Financial Secretary:

Your Excellency, this Bill brings into effect the increases in non-contributory old age pension benefits proposed in the Budget.

The Bill was read a first time.

The Honourable Mrs N Edwards:

Just a comment really that it's quite a large increase from 1993/94 from £76 to £89 for the non-contributory pension and I still feel it very wrong that we don't provide for a widows pension as well and we are going to have to wait until next January until we have the results of the old age pensions review. Thank you, Sir.

The Honourable the Financial Secretary:

I think the Honourable Member may be under the wrong impression, Sir. We do have a widows pension. A widows pension is paid at the single rate, this is the non-contributory pension. The non-contributory pension is payable from age 70 to persons who under particular circumstances don't qualify for a contributory old age pension from the age of 64, but it is payable at the single rate to widows.

The Honourable Mrs N Edwards:

I beg your pardon, it was the contributory old age pension that ignores widows isn't it?

The Honourable the Financial Secretary:

No, the contributory pension scheme does provide for a pension to be paid to a widow from the age of 60.

The Honourable Mrs N Edwards:

Yes, but I would like to see the age reduced.

The Bill was read a second time. In the Committee stage clauses 1-3 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Supplementary Appropriation 1993/1994 Bill 1994

The Honourable the Financial Secretary:

Your Excellency, clause 2 and the schedule to the Bill provide for supplementary expenditure approved by the Standing Finance Committee during the period 17 November 1993 to 29 April 1994 and authorised in the first instance to be advanced out of the Contingency Fund. Clause 3 to the Bill provides for the transfer of £2,000,000 from the Consolidated Fund to the Sinking Fund approved in respect of an initial contribution towards the cost of providing a new and permanent port facility. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable W.R. Luxton:

Your Excellency, Honourable Members. Particularly unfortunate that we should form a Sinking Fund in respect of FIPASS, it would be more appropriate if we could describe it as a float perhaps but I would like to just support what I think is a very prudent provision for what is an essential facility that may be as fragile as our main source of income, and that it may be that we shall need to replace it in the not too distant future. I support the Motion.

The Bill was read a second time.

The Attorney General:

Your Excellency, Honourable Members. On reading the Bill, I think the drafting, on the clarity of it, there is a possible conflict between sections 2 and 3 which could be resolved by adding to the beginning of clause 3 of the Bill the words "in addition to the sum mentioned in section 2, the Financial Secretary may" because it authorises sums to be withdrawn from the Consolidated Fund and in case anybody said that they are in conflict with one another, the possible conflict can be resolved by the addition of those words to section 3 of the Bill.

The Honourable the Financial Secretary:

I beg to move that clauses 1-3 as amended stand part of the Bill.

In the Committee stage clauses 1-3, with the amendments to clause 3 and the schedule were adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

The Application of Enactments (Amendment) Bill 1994

The Honourable the Chief Executive:

Your Excellency, this Bill amends the Application of Enactments Ordinance of 1954. The Application of Enactments (Amendment) Bill 1994 seeks to make amendments to the application of those two Acts to the Falkland Islands section 45 to section 49 of the Children and Young Persons Act 1933 make provision in relation to the trial of persons under the age of 18 years and in respect of criminal offences. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 and 2 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Statute Law Revision Bill 1994

The Honourable the Chief Executive:

Your Excellency, this Bill is for an Ordinance to repeal a number of provisions of law and Ordinances that now serve no useful purpose. They are outlined in the schedule, the Exchange Control Ordinance, Industrial Research Council Ordinance, Overseas Service Ordinance, Oaths Ordinance, Stanley Town Services Ordinance and the Coast Guard Ordinance of 1989. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 and 2 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Family Law Reform Bill 1994

The Honourable the Chief Executive:

Your Excellency, the Family Law Reform Bill 1994. This Bill doesn't seek to abolish the status of illegitimacy. It's aim is to remove so far as possible any avoidable discrimination against or stigma attaching to children born outside marriage. The European Convention on Human Rights contains provisions against discrimination and that Convention applies to the Falkland Islands. The European Court of Human Rights have held that laws discriminating against those born outside marriage are unless justifiable on some special ground, inconsistent with the guarantees provided by the Convention. Births outside marriage are now much more common than they used to be and a number of couples live in a stable relationship and have children without marrying. Marital status will remain relevant and the status of illegitimacy would not be abolished. Your Excellency, I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1-20 and the schedules 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

The Finance and Audit (Amendment) Bill 1994

The Honourable the Financial Secretary:

Your Excellency, the purpose of this Bill is to amend the Finance and Audit Ordinance 1988 to enable funds to be invested in any manner authorised in writing by the Governor, acting in his discretion after having consulted the Secretary of State. Following advice received from our Investment Managers it is recognised that the current provisions of the Finance and Audit Ordinance 1988 are overly restrictive in relation to how Government funds can be invested. This amendment would enable Government funds to be invested in the wider categories of securities as advised by our Investment Managers so as to obtain a reasonable return while still maintaining a fairly conservative criteria. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

The Race Relations Bill 1994

The Honourable the Chief Executive:

Your Excellency, this Bill is to make provision with respect to discrimination on racial grounds on relations between people from different racial groups. The Government of the

United Kingdom have asked that the Falkland Islands should consider the enactment of legislation modelled upon the Race Relations Act of 1976. The Race Relations Bill 1994 to which this explanatory memorandum relates and which Honourable Members have, would adopt a number of provisions of the 1976 Act subject in a number of cases to modifications so as to reflect local circumstances and authorities and about a third of the provisions would not be applied at all. These modifications and the exception to the adoption to the provision of

1976 Act will be found in the schedule to the Bill. It renders that certain discrimination will become unlawful, it offers protection and provides to prohibit discrimination on the basis of race. Your Excellency, I move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1-3 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Affiliation Proceedings Bill 1994

The Honourable the Chief Executive:

Your Excellency, this Bill, the Affiliation Proceedings Bill 1994 is to make clear that certain Acts that were undertaken by the Magistrates Court and the Summary Court to entertain Affiliation Proceedings and to make orders therein during the period between 1 April 1989 and the coming into force of this Ordinance is in fact correct. There were certain gaps and in several cases the Falkland Islands Court in fact, applied the Family Law Reform Act 1987 provisions in relation to illegitimate children. Had they not done so there would have been no law at all of the Falkland Islands relating to the financial provision for such children and the purpose of this Bill is to make clear that what the Courts in fact did, as described above, was legally correct. I beg to move the first reading of the Bill.

The Bill was read a first and second time. In the Committee stage clauses 1 and 2 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Building Control Bill 1994

The Honourable the Chief Executive:

Your Excellency, this is a Bill for an Ordinance to make improved provision as to the control of the erection and construction, drainage and other servicing of buildings and structures, and alterations and of addition to buildings and structures and for connected purposes. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable W.R. Luxton:

Your Excellency, Honourable Members. This Bill was presented to the previous Council some considerable time ago and I had serious reservations about it at that time and in the end it was not adopted. I still have niggling reservations but the response from the general public and the local building industry has been either non-existent or in favour. I've not heard anybody opposed to it. I have reservations about the application of the regulations to the Camp in some ways, I hope it isn't going to make life too difficult for people who may not have all the facilities that exist in Stanley. I except the need for it in a larger community such as Stanley and this is just an enabling Bill, the regulations still have to be made and once the Bill is in place the regulations of course can be amended at any stage without another Ordinance. So I will support the Bill but I would like to assure my constituents in Camp that I

will be keeping a beady eye on the adoption of the regulations and I hope that they will be suited to our needs and not to the perceived needs which people may have from elsewhere. I support the Motion.

The Honourable Mrs N Edwards:

Sir, like Councillor Luxton I have reservations about this Bill for the very same reasons that he has voiced. I too will support the Bill with reservations about the Camp community being subject to somebody leaping out on the plane every five minutes to see how he's getting on with his building and from that point of view I don't think that it would be practical or enforceable. We have a very short time in which to undertake building works along with the sheep work and people will not be waiting for the inspector to turn up to see whether it's ok or not, so I look forward to seeing the regulations that go with the Bill and looking at those more closely, but I do support the Bill Sir.

The Honourable J.E. Cheek:

Your Excellency, I support the Bill as an enabling Bill. I am concerned regarding the regulations and that we don't copy them from the, one of the so-called more advanced societies and that the regulations do reflect what we need. I support the Bill Sir.

The Honourable the Attorney General:

Your Excellency, Honourable Members, I think I will make two points for public information. Clause 6 (2) of the Bill makes provision for the regulations to make special provision in relation to different areas of the Falkland Islands or in relation to a particular class of building in prescribed areas of the Falkland Islands. Translated, that enables the regulations to make special provision in relation to Camp and different provision than that made in relation to Stanley. A draft of the regulations has already been published in the Gazette and has been published again as amended following public consultation. I can assure Honourable Members that the draft regulations which were published for public comment and for the purpose of the public being consulted on them are not a copy of what applies in, what is sometimes called more sophisticated jurisdiction. They do have regard to Falkland Island circumstances and what is believed to be practical, acceptable and necessary in the Falkland Islands to replace the provisions of the building by-laws which as Honourable Members will know are sadly out of date and have needed for some years to be wholly replaced.

The Bill was read a second time. In the Committee stage clauses 1-14 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

Council adjourned.

The Education (Amendment) Bill 1994

The Honourable the Chief Executive:

Your Excellency, this is a Bill for an Ordinance to amend the Education Ordinance 1989 so as to raise the school leaving age to 16 years and to make consequential amendments to that Ordinance and to the employment of Children Ordinance 1966 and the Employment of Women Young Persons and Children Ordinance 1967. The Employment of Children Ordinance 1966, it is proposed that this is amended until the child reaches the age of 14 years. I beg to move the first reading of this Bill.

The Bill was read a first time and on the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable R.J. Stevens:

I'd like to stand and support this Motion, Your Excellency, Honourable Members. I think we've always got to strive and improve education and this is a way forward that's been used in a lot of countries. There are going to be people in the community and pupils that aren't going to prosper with this Bill, with this amendment. Hopefully, as education develops in the Falklands with pre-school work, in that area, more and more people will eventually benefit. I've always had reservations on extending the age and I believe there are members of the staff, I know there are members of the staff at the Community School and people in the community that also see it as I do. We'll always have the problems of a small community where we haven't got the ability to cope with some of the problems I foresee. Like, in going directly for G.C.S.E. this is an academically orientated method of getting exam results. You've got to have a certain standard of reading skills, comprehension skills and there are a proportion of children in the Community School now who might be in these last two years doing G.C.S.E. courses without the abilities I've just mentioned. There will always be the argument that these children will benefit because they covered the curriculum and to a certain extent, that's true and there are all different arguments for and against, but I'm really highlighting it so it's not forgotten and I'm sure members of the Community School will always be trying to help that group of people I'm talking about. I support the Motion Sir.

The Honourable W.R. Luxton:

Your Excellency, Honourable Members. I support this Bill wholeheartedly, at least I thought I did because I was looking I suppose exclusively at raising the school leaving age. I'm a little perturbed and perhaps the Attorney General will be able to clarify that in part 2 we are raising the age which a young person may take up part time employment by a year from 13-14 and if that is the case I don't think that is necessary and perhaps I would propose that part 2 is deleted. I would also perhaps ask the Attorney General to clarify what part 3 means, what the changes are there because we don't have an explanatory memorandum with this Bill. I see no objection to allowing a young person to do part time work from the age of 13 in their school holidays and I think far better that they should be able to do that than wandering around unemployed or not having anything useful to do, so it may be appropriate to refer the Bill to a brief Select Committee and discuss the thing with the Attorney General and then continue when those matters have been clarified.

The Honourable the Attorney General:

Your Excellency, perhaps I might usefully address those points at this stage because it may be that a Select Committee might not be necessary and Honourable Members will be satisfied.

The Honourable Member refers to part 2 of the schedule to the Bill. That Employment of Children Ordinance deals with the permitted part time employment of children who are attending school. On the last occasion when the school leaving age was raised from 14-15 this House amended that Ordinance as originally enacted so as to put up that part time employment age by one year. Following that precedent I believed, and perhaps mistakenly, that Honourable Members would wish to do the same thing on this occasion. If it is Honourable Members wish it is very simple to delete the part 2 of the schedule at the Committee stage of the Bill when part 3 will become part 2. There will be consequential amendments, of course, to the paragraph numbers of the Schedule. You would also need to amend the long title to the Bill and generally we do not put up in Committee the approval of the long title of the Bill but we need to where we delete provisions which will affect the long title. If Honourable Members delete part 2, and I'm very content, may I say, for part 2 of the Schedule to be deleted, there's no objection to that at all and it may be a better idea because it does provide for part time employment of young people. And I know that young people do work for a few hours in shops on Saturdays and in the school holidays. You would need to amend the long title to the Bill by deleting the words "and to the Employment of Children Ordinance 1966". All those things can sensibly be accomplished by the House in consideration in Committee and I will inform you of the amendments you would need to make to do all of that, and it's simply

a deletion and in fact if my views are anything to guide Honourable Members I would suggest that you do delete part 2 of the Schedule to the Bill. There is no reason why you should retain it. In answer to the Honourable Member's question "what does part 3 of the Schedule deal with?", that's the Employment of Women Young Persons and Children Ordinance 1967. The effect of the amendment to the 1967 Ordinance mentioned in the Schedule would be to raise the age at which young people could be lawfully full time employed, from the present school leaving age to the new school leaving age, and I think that amendment is most definitely required.

The Honourable W.R. Luxton:

Your Excellency, I'm content with that and thank you for the explanation Attorney General on the part 3 and perhaps he could be kind enough to guide us through the necessary mechanics of getting this amendment in if other Honourable Members agree with it.

The Honourable C.D. Keenleyside:

I wish to second the proposals made by Councillor Luxton to amend the Act in the said manner.

The Honourable J.E. Cheek:

Your Excellency, Honourable Members. I'm more than pleased to support the Bill. I look forward to the day when Members with special responsibility for various departments can introduce such Bills, that would have given me even more pleasure to have been able to do that. I've been trying to get the school leaving age, as I call it, increased for some 8-10 years, particularly since we started taking 'O' levels. Our own children were disadvantaged in either having to take them a year early or taking them after the legal school leaving age when some of the children hadn't stayed on and were not helped to stay on by their parents and it saddens me to have to say that in fact some of those children were actively supported in leaving school early by their parents. So I very much welcome this. Yes, we do have problem children who would like to leave school before the school leaving age, we had it when I was at school and the school leaving age then was 14. We've had it over the last 20 years and the school leaving age has been 15 and I'm sure we will continue to have it when the school leaving age is 16 but I don't think that should stop us in any way from increasing the school leaving age as we are doing. And it's not only for the academic children that we are doing this, more and more there are courses available for non academic children. In fact, the "academic", if I can put that in quotations side of it, the G.C.S.E.'s are specifically designed to cover the whole range of children. Of course not all of them are going to get A's, B's or C's but they have something to aim for which they didn't in the past. The old 'O' levels there was no way that the less academically gifted children could hope to get anything, now they can. And as I say we are introducing, and I would like to see more introduction of non academic subjects. I think that is all that I have to say apart from that I would support the proposed amendments Sir.

The Honourable Mrs S Halford:

Your Excellency, Honourable Members. In rising to support this Motion I realise that when I go home today I'll not be a very popular person with my children. I believe it is a very good idea to raise the school leaving age, the only thing that does concern me slightly is the fact that some children will feel that they are being kept on simply to kick their heels for another year but as the Honourable Member has just said this has happened over the years. I was pleased to hear him mention that there will be more emphasis on vocational orientated courses rather than just G.C.S.E.'s because although they have something to aim for now they are not aiming for passes and in some subjects the children realise that they are not even being educated towards a pass, they are merely being educated towards a grade and the grade is actually lower than a C and as I'm sure we are all aware if they wish to go on to work

elsewhere most employers would look at C as being a minimum pass. So therefore in working towards a D I believe down as low as a G in many areas seems I believe very pointless. I would also support the proposal to amend the age at which children can work.

The Bill was read a second time. Council is in Committee.

The Honourable the Attorney General:

Your Excellency, Honourable Members. I invite the Chief Executive to move the following amendment:-

That the existing part 2 of the schedule to the Bill be deleted. That consequently part 3 of the schedule be retitled part 2 and the paragraph which follows the heading to part 3 of the schedule, which will become part 2 be altered to 5 because the preceding paragraph will be omitted, and that consequential on those amendments if accepted, the long title of the Bill should be amended by removing the words "and to the Employment of Children Ordinance 1966". I think the easiest way of the Honourable Chief Executive moving those amendments is to say "I so move".

The Honourable the Chief Executive:

Your Excellency, I so move those amendments.

In the Committee stage clauses 1 and the new clause 2, the schedule and the long title all as amended were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Cruise Ships Bill 1994

The Honourable the Financial Secretary:

Your Excellency, the purpose of this Bill is to impose a levy of £10 per tourist passenger to be payable in relation to the number of tourist passengers on board a cruise ship at the time it enters the territorial sea of the Falkland Islands. Thus, additional amounts would not be payable in respect of an exchange of passengers during a visit by a cruise ship nor would any increased amount be payable for reason of the fact that the cruise ship during its time in the territorial sea of the Falkland Islands visited a number of different places and entered a harbour at different times, a number of times. It is intended that if this cruise ship levy is introduced, cruise ships should be exempt from harbour dues. This would be achieved by regulations amending the harbour regulations. Opportunity has been taken in the Bill to provide power to make regulations in relation to the protection of wildlife sites on visits by tourist passengers. Under clause 1, clause 1 makes provision for the Ordinance to come into force on such a date as shall be appointed by the Governor by notice published in the gazette. I beg to move the first reading of the Bill.

The Bill was read a first time and on the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable J.E. Cheek:

Your Excellency, Honourable Members. I am quite willing to support the Bill but I believe a number of other Members are a little concerned that it not be applied before the end of this coming season and as such would like to propose at a later date on this Bill, that we add something to clause 1 which says that "provided that no earlier date than 1 July 1995 be so appointed". With that added to the Bill I'm, quite happy to support the Bill Sir.

The Honourable Mrs N Edwards:

Yes Sir, I support what Councillor Cheek has said. I think because of the commitments that we've got to make if we're going to charge people to land in the Falklands, for example that we should have facilities in Stanley for shelter and so on that we're more likely to have all those things in place for next season rather than the coming one and so I would support wholeheartedly Councillor Cheek's proposed amendment.

The Honourable Mrs C.W. Teggart:

Your Excellency, Honourable Members. I'd first of all like to say that I very much support the Cruise Ships Bill. I am opposed to the amendment that has been suggested, I don't know if I stand as leader of the opposition or quite what capacity I'm speaking in, but I do know that a number of other Members also feel that I do. There has been a lot of notice that this Bill was coming into force. The Tour Companies have been informed of it, they will be making arrangements to cover their cost to pay the extra fees, in the case of the large cruise ships it's going to be a substantial amount I imagine but even so less than they would have been paying with harbour dues. In the case of the small cruise ships they in general welcome the Bill. I'd like to take up Councillor Edwards point on the lack of facilities for tourists coming ashore. This is indeed the case at the moment, but there have been arrangements made for a temporary shelter and toilets on the public jetty which will be in place before this next tourist season. I just feel just to change something now and to go through all the rigmarole and informing the Tour Companies again that there's been a change in plans, I just don't think it does us any good internationally, having already informed them that's it's going to be in place in time for this season. So therefore Sir, I object to any amendment of the Bill.

The Honourable E.M. Goss MBE:

Your Excellency, Honourable Members. I support this Bill and I also agree with what Councillor Teggart has said that there has been sufficient lead time and notification to tourist operators for this Bill. I've had lots of copies of letters from tourists, people to their agents to welcome the Bill and the changes in it and there's some people been seeking clarification. If a passenger ship has berths for 900 people but only has 700 on board, they charge for the 700 and not the 900 or and another question was put to me - are they charged only for those people who land, there might be people in transit. Now if that person on board ship has an Argentinean passport and cannot land do we still take the £10 off them and if we could have some clarification on that. I support the Bill.

The Honourable W.R. Luxton:

Your Excellency, Honourable Members. I also support the Bill and do not support the amendment. As the Honourable Mr Goss has said the companies have had a lot of warning that this was proposed, I believe they have made the necessary arrangements. I too have seen letters from those companies where they seem fairly relaxed about it and as to the question that Councillor Goss asked, I would probably charge them double I should think and keep them on the ship. So I would like to support the Bill but I don't support the amendment.

The Honourable the Attorney General:

Clause 3 sub clause 2. It is the number of tourist passengers carried on board the ship regardless of their national origin in relation to whom the £10 will be charged. If a ship has 2,000 berths and 10 passengers on board it will be charged in relation to 10 passengers and not to 2,000 berths. The reason why things are worked out that way is of course to enable the cruise ship very readily to calculate in relation to its charge passengers for going on the cruise what it should charge to accommodate the levy, and that's the simplicity of it. It's not charged in relation to the tonnage of the ship, its not charged in relation to the berths on the ship, but the number of bodies the ship is carrying for reward, I mean live bodies. So the answer to the

Honourable Member's question is that if an Argentine citizen were on board that ship he would be charged for. There should be no discrimination. He will be charged for whether he lands or not.

The Bill was read a second time. In the Committee stage Honourable Members spoke as follows:

The Honourable J.E. Cheek:

Your Excellency, I would like to propose an amendment to clause 1 which should read after the word "Gazette" full stop:-

"Provided that no date earlier than 1 July 1995 be so appointed."

The Honourable Mrs N Edwards:

I will second the Motion.

His Excellency the Governor:

The motion was that the date 1st July for coming into effect should be included in that Clause as an amendment.

The house voted and votes were evenly divided.

The Honourable the Attorney General:

The amendment is lost. As the votes were evenly divided, therefore the amendment is not carried.

The Honourable J.E. Cheek:

Point of order, Sir may we have the vote on whether the unamended Bill is passed or not?

The Honourable the Attorney General:

Well what will next have to happen, Your Excellency, you will put Clause 1 in it's original form and then the votes may be evenly divided again and in that event Clause 1 will not have been carried and the Bill as a whole will have been lost.

The votes were once again even and therefore the Bill was not passed.

The Matrimonial Proceedings (Domestic Violence) Bill 1994

The Honourable the Chief Executive:

Your Excellency, this Bill provides for an Ordinance to amend the law relating to matrimonial injunction, to provide the police with powers of arrest for breach of injunction in the case of domestic violence and for purposes connected there with. In Select Committee and else where Your Excellency, there have been questions of moral standards raised on a number of occasions and it's very sad that we have reached the stage in the Community where it has become necessary for certain parts of the society to seek comfort and protection in the way that this Bill seeks to provide. The Bill will enable the Magistrate's Court as well as the Supreme Court to grant an injunction to restrain one party to a marriage from molesting the other party to the marriage or from molesting a child living with the other party to the marriage and to grant an injunction, including a provision excluding a party from the marriage from the matrimonial home, or part of the matrimonial home or for a specified area in which the matrimonial home is included. It will also enable the court to grant an injunction containing a

provision requiring a spouse to permit the other spouse to enter and remain in the matrimonial home or a part of the home and to do any of those things, even where an injunction containing such provision is all the Court is asked to grant. Sadly, it's also necessary to enable the assistance of the police to be sought so as to prevent further violence where a court order has already been obtained. I believe this is a very necessary Bill, Your Excellency, I'm sad about it nevertheless but I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable Mrs C.W. Teggart:

Your Excellency, Honourable Members. I rise to support this Bill, I know that it was on the list of items to come before the Legislative Council at some time. It was in the Attorney General's office, but I believe it was brought forward because I had occasion to speak to the Crown Counsel at the time on a couple of cases of domestic violence that had happened; where the ladies involved found that they had no recourse to the law, there simply wasn't anything the police could do to help them. Speaking with the Chief of Police through this last week, and indeed in the past, I'm not sure whether instances of domestic violence are increasing in the Falklands or whether there are just more being reported to the police, but it is a very difficult situation for a police officer to enter a home knowing that legally he can't really do anything to help, and for that reason I very much support this Bill. I hope the fact that it is passed into law, and I certainly hope it will be passed into law, I hope that it acts as a deterrent and there won't be so many instances that this Bill seeks to help. Sir I support the Bill.

The Bill was then read a second time. In the Committee stage clauses 1-3 were adopted as part of the Bill. Council resumed. The Bill was read a third time and passed.

The Abusable Substances (Young Persons) Bill 1994

The Honourable the Chief Executive:

Your Excellency, once again it's a sad circumstance that this House has to consider enacting such a Bill that will prohibit the supply to young persons of certain intoxicants and the inhalation of those substances or their fumes by young persons. I beg to move the first reading of the Bill.

The Bill was read a first time and on the motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable Mrs C.W. Teggart:

Your Excellency, Honourable Members. It seems to me that the Bills I most wanted to speak to you today came at the bottom of the list, but I would just like to say how much I also welcome this Bill. It is some eleven years since I first became aware that young people in the Falklands were abusing solvents. At that time it wasn't a great problem but I do feel that this legislation is a long time in coming. I think the problem is most certainly on the increase. The fact that there were abusable substances being handed around freely at a discotheque recently adds to it. I think that there are a great number of moral issues which I intend to mention in my Motion for Adjournment but also like the Honourable the Chief Executive, I've got great concerns for some of the things that are happening, and great concerns for the way our society is going but I will address that more in the Motion for Adjournment. Your Excellency, I support the Bill.

The Bill was read a second time. In the Committee stage clauses 1-3 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive:

Your Excellency, I beg to move that this House stands adjourned sine die.

The Honourable E.M. Goss MBE:

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment I would like to touch on one or two points. I'd like to make mention of our new Clerk of Councils - this has been her first public session, I reserved my comments about her at the opening of the session. I thought I'd leave them until the end of it to see how she fared off and I think she survived what she thought was going to be an ordeal. She survived it very well and I look forward to her continuing in Office for some time.

Listening to some of the comments on Saturday last and some made earlier this morning - one by Councillor Halford, she must have some strange contacts because nobody has approached me to criticise the efforts we've made in reducing taxes. Most of the people I meet sing our praises so I don't know where she moves around or who she talks to. I've got a point to clear to ease the worry of some of us who are involved in Camp link roads and perhaps the Financial Secretary in his wind up may give us some comfort on this but this is one of the points that I stand united and shoulder to shoulder with the Councillor from Port Sussex. We're both trying to improve link roads and we know the financial year ends in 28 days time and there has been money voted towards those projects that we are working on but I only yesterday got the machinery I needed to proceed and time is against me now to spend the allocated cash and I would like your assurance later on Derek, that we shall be able to carry that money into July or August or however long it takes us to use it up. Whilst we're on the subject of the Councillor from Sussex Farm, in his Motion he proposed last Saturday to review the Camp and look for ways to try to repopulate the Camp - in his talk in supporting his Motion - he sent alarm bells ringing down through the Camp outside the wall because he made mention of the fact that north of the wall in Goose Green - a lot of people don't know about these natural boundaries extending east as far as Port Harriet affects quite a lot of people and he had designs on further sub-division to support or bolster the farmers in the north; and the farmers in the north have more ground I think than the farmers in the south. So I hope he doesn't use the Goose Green or the Darwin wall as a division between us. But one thing we are united on is the subject I raised earlier on the Camp link roads vote.

I would like to take this opportunity and I'm sure I'm speaking on behalf of all other Councillors to recognise the fact that this will be the last Legislative meeting of the Chief Executive and he's been here probably, the longest Chief Executive in office that I can remember, and he's got the advantage on the lot of us because he's actually been acting Governor more times than any of us in this room. In this Hall we have around the wall a pictorial record of all the Governors' that served in the Falklands. I would like to see that extended to all the CBF's that have served in the Falklands and this is of course the General's last meeting and maybe at Mount Pleasant they have a pictorial record of all CBF's. I would also like it in the Treasury of all the Midases that have been about the place. But what I'm really getting at - we're talking about the Chief Executive being here five years and going away - I would like the pictures of Chief Executives displayed somewhere so should he ever be wanted we know who we are looking for. Anyway I take this opportunity to thank you for all you have done for the Falklands in the five years you have been here Ronnie and I wish you and Jean the best in the future.

The item 16 on our Agenda today - the Cruise Ships Bill 1994 - and I think most of the cruise ship operators will be very disappointed that this Bill sank today because those people who we have been in touch with have been gearing themselves up for this. There had been plenty of lead time into it and now at the moment of launch we are scuppered, and I don't think that's

the way we should be - or the road we should be travelling down. If we are going to open up our harbours let's be clear about what we are doing. Don't bring it to this Chamber and then destroy all the work that's gone into it. It had the approval of Executive Council, it's was aired in GPC, it's been talked about so many times in the Standing Finance Committee rooms where we've been assessing the changes to revenue and then here at the last moment we torpedo it, I just don't understand that at all. I think I've probably covered all the points I wanted to touch upon so, Sir, I support the Motion.

The Honourable C.D. Keenleyside:

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment I'll continually aren't picked up. One is the Special Employment Programme which we have voted to continue. This programme has been popular in the community in that it has served a need - a need that has probably been there for a number of years but not necessarily addressed - and I think the continuing of it is something that should go on for many years yet, if it's needed.

We've also included in our budget a number of new posts at G0, which is the low grade, the grade that normally the school leaver would go into and hopefully this will help to bring new blood into the Civil Service and provide more employment opportunities for the younger people who are leaving school.

As far as the tax on tobacco goes - I didn't mention at the time we were putting it up - but in worldwide terms our tax on tobacco as far as I know, is actually quite low, whereas the tax on liquor and spirits is fairly high and this is one of the reasons why we decided not to move the taxes on the spirits but to move that on tobacco.

I remember the school leaving age being changed to 15, let alone 16, because I was one of those who was caught. I had to do another year at school and at that time there was not provision for extra tuition to take "O" Levels or whatever and so I must admit I felt it pretty hard. But I think that things are geared up differently these days and that as far as the school is concerned this is just a natural progression in the way that the education should continue.

When we were debating the Bill on charging tourists, I noted with amusement the comments made by the Honourable Member on my right Mr Luxton about the Argentinean tourists and his suggestion of doubling the rate. Perhaps we could make even more money if we charged them at what they think they are worth rather than actually just doubling the rate.

As far as the priorities go within the budget - if we want to speed up the building of any particular project that we want to see completed it brings with us certain costs mainly because we would probably have to bring in outside contractors, we'd have to pay more probably for the design or whatever the extras might be and so when deciding on what we were going to do and on other projects, we have to balance between the use of local labour, looking towards the local labour needs in the future and against the monies available - so perhaps sometimes projects don't seem to move up quite as much as some folks might have liked. The main constraint is that we are trying to actually utilise the money within the Falklands, rather than sending it outside unnecessarily.

I support the idea of farm revaluation. I see no merit in paying subsidies on mortgages when we may end up paying more in subsidies than the mortgage is actually worth and I suspect with careful looking at the revaluation situation that we can come up with something that everybody will find acceptable, if not necessary be happy with it.

I support Councillor Goss's comments on Landholdings farms. I don't see the point in subdividing the farms and just creating ourselves more problems at the moment.

One problem that has been raised with me several times, by my Constituency is the whole problem of traffic in town and recently we've been looking at the problems of traffic. One of

the options we've thought about is maybe making some kind of one way system involving John Street and the front Road. I've floated this idea with a number of folks and they've pointed out to me the fact that John Street is not particularly conducive to one way traffic in that you have to stop at all the junctions, whereas Ross Road you have the full flow in both directions and perhaps a better means of achieving the traffic movement that we want throughout the town without hindrance - and I know well the problems associated with rush hour on the front road - perhaps we should consider no parking on the front road as another option. Sir, I beg to support the Motion.

The Honourable W.R. Luxton:

Your Excellency, Honourable Members. In the course of this budget we have managed to reduce costs to all businesses in the Islands, quite substantially, particularly Stanley based businesses with the abolition of rates that will make a very substantial difference and of course the abolition of medical services levy reduces everybody's wage bill by 1.5%. I hope the business sector will follow and that prices may reflect these improved conditions that they are now enjoying rather than the profits being pocketed. In particular, I have to give my apologies to the gentleman on my left, and aim a shot at Cable and Wireless. The Camp VHF network is still appalling - we still I don't think have accepted it - and in many areas it's still very very unsatisfactory. I have to say that the microwave network which I'm lucky enough to be on is fine - I have no complaints - but many of my constituents still have a third rate system and I hope that they will look at it particularly in view of the increased profitability we have given them. Also call charges all over the world, international calls are being reduced. British Telecom have just made a substantial reduction - it is now cheaper despite the 17.5% VAT to phone the Falklands from Britain, than it is to phone Britain from the Falklands. So I hope Cable and Wireless will think about that and address that problem as well.

A number of Members have mentioned that the Camp haven't benefited as much immediately because most people in camp are on low incomes - I guess nearly all of them now will have been taken out of the tax net - which is an advantage but our medical service for instance remains costly to us in that it's very expensive to get into Stanley for any treatment such as dental or any other medical treatment. However, I won't dwell on that because also mentioned by a couple of people has been the prospect of the review of mortgages. Now we will have to wait and see what form that takes - I look forward to it - I hope it is presented to Executive Council very soon and as a Camp Councillor I will be adopting a "wait and see" attitude with that because it could make a very substantial difference and so people in the Camp will benefit to the same extent that the other part of the Community has so far from these changes. Even the low paid of course have effectively a 1.5% wage rise with the abolition of the medical services levy so that is right across the board to everybody a benefit and we've also voted fairly substantial funds for the Camp link roads scheme and that will give an opportunity for people in the agricultural community to put some money in their pocket, assisting with those projects so I hope they'll take advantage of that and that that scheme will go ahead in conjunction with the two main road construction projects. Sir, I support the Motion.

The Honourable J.E. Cheek:

Your Excellency, Honourable Members. I'll try and keep this quiet, this virulent flu is apparently spreading throughout - I think five of us for those who are really interested - 3-2 in favour of Stanley, or really at a disadvantage of Stanley I suppose.

I too seem to move in similar circles to Councillor Halford because I too have had a number of people who have been concerned, certainly questioned, whether we should be reducing taxes and other charges at this time and I've certainly explained that I think on balance it's what we need. We need to put more money in people's pocket and therefore that money will spread around the community as much as possible, but I'm very pleased that the electorate do take an interest and show a concern for our finances in the Islands.

If I could say to the General, thank you very much, and best wishes to both he and his wife. This is the last General we will see, or equivalent rank, airforce and navy, but I'm sure that whoever selects such people will continue to select such excellent people as we've had over the last 12 years. On wishing bon voyage to the General and his wife, I would like to extend that to all the other people who come and protect us, whether it be the fighter pilots for whatever it is, 3,4,5 weeks, those who are here for a year, those who are here on their fifth or sixth tour, particularly those who don't volunteer, although I do know there are some who volunteer and have done for a considerable number of tours. Anyhow our best wishes. To the Chief Executive, I wasn't going to say anything, not because I don't think that nothing is needed to say but I thought he would be here for our next meeting, when I'd hoped he would be introducing some oil legislation. If he isn't, my best wishes, my thanks for all he's done and also for his sense of humour. I've been told that I have a very warped sense of humour but I think in this case I have someone who's even beaten me. But I hope that I can give a fuller thanks at a future meeting.

Lastly Sir, I almost raised a point of order earlier when we seemed to be redebating one of the Bills, but I had something to say on it in more general terms. I was deeply concerned when one of my fellow Councillors suggested that because legislation had been proposed that we somehow were bound to pass it. That is very far from the truth, generally we do but there is no compulsion on us to pass legislation just because it's been proposed. I think Sir, with that I second the Motion.

The Honourable Mrs N Edwards:

Sir, Honourable Members. In rising to support the Motion for Adjournment may I just comment that I think the dreaded lurgie that's going around Stanley is spreading along the row. Now I don't know whether that's because of the Councillors I've been in company with for the last week or whether it was because I was out late last night firing a gun, for the FIDF I hasten to add and shamed myself as I only got 1 point and Councillor Halford got 29 out of 30. However, let me just add my best wishes to Claudette and say thank you for the way in that she's handled this meeting, extremely well I think and I'm sure that she will continue to do so in the future.

I mentioned FIDF Sir, and I was very impressed by the open night. I think we can be proud of our force which is an active part of the whole military protection of these Islands, and we should in due course give consideration to their requests for the various bits and pieces that they do need. I know we voted quite a lot of money this year but I think we should continue to support them as much as we can, because if it comes to the crunch and they have to come to our aid they do need the equipment to help out until military reinforcements arrive in Stanley.

Mr Luxton, I think it was, or Councillor Goss perhaps, mentioned link roads. Can I just make a plea on behalf of Fox Bay to PWD, that although there's been a breakdown with a JCB recently, can you still look kindly upon us for some decent equipment so that we can do the link roads programme properly and particularly the Camp tracks. Another year has gone by without any repairs being done to Leicester Falls area which is very bad and I hope that we can really in the next summer get going properly with link, with Camp track repairs and extend that towards Port Stephens area and any where else in the Camp of course, that needs it.

The Honourable John Cheek mentioned legislation that we are not bound to pass, may I just say that the reason I didn't agree with this Bill as it stands is not because I disagree with the cruise ship charges but that I feel that before we put them in place we must be sure that we have the facilities available. I know there are going to be temporary facilities this summer, so we're told but the mills of God grind slowly, the mills of Government grind a whole lot slower than God's and it may not just be that all the things we want to carry out happen. I'm sure it will in that case but I would like to see it there before we start charging them for facilities that

really don't exist at the moment, and I presume that's one of the reasons why we are going to charge fees for passengers landing.

We've set aside £100,000 in the capital budget for further housing. Not specifically for sheltered accommodation but I hope that when eventually we have the report that is presently being undertaken on the needs of the elderly for further housing and if we find out from that report that further sheltered accommodation is required then that could perhaps be undertaken in due course or hopefully as soon as possible and some of that money which is allocated for housing can be put towards sheltered accommodation. I still feel that the piece of land on which Admiralty Cottage sat and which was supposed to be kept by Government and not included on the school plans, I think we should look at legally removing that piece of land and keeping it for sheltered accommodation. I had a look at it yesterday. I don't think that the playing fields will impinge on some sheltered accommodation near the present little garden. There will be the odd ball that comes their way but a fence I think would solve that problem and it's an ideal site for further sheltered accommodation.

I must make mention of conservation, Sir. I believe I was misled, Mr Bill Oddie did not malign Falkland Islanders and say that they didn't care about conservation. What apparently he did say was that there was a lack of conservation in this area and with oil looming over the horizon and so on and over fishing that would affect our penguins. Now I have no desire to shoot down the Penguin Appeal in any way and I wouldn't like my remarks to cause that to happen, so I apologise to Mr Oddie for not quoting him properly. However I do feel that there is a general opinion abroad that the Falkland Islanders do not care very much for conservation and that isn't true. Councillor Keenleyside and myself were very careful when the Fisheries Ordinance was in place to make sure that it said a Conservation and Fisheries Ordinance, so every year we spend £6,000,000 approximately on conservation and protection - and a lot of that money goes towards conservation of the fish stocks - but I do feel concerned that the krill is moving away from South Georgia. If indeed that is the case, perhaps it's just climatic conditions, perhaps because of the depletion of our gentoo penguins, it's caused not by fishing but lack of krill. Because I think they eat a fair amount of krill and I would urge Sir, that the Foreign Office look at that problem and hopefully do some research into the disappearance of krill as quickly as possible - because it will affect the whole of the South West Atlantic and the whole of the wildlife in the South West Atlantic if, heaven forbid, that does disappear from the face of the oceans.

The Special Employment Programme I would like to give a mention to. I come into Stanley once a month and it's pleasing to see just how nice Stanley is beginning to look now. Everything neat and tidy and the roads swept and clean and these people beaver away quietly doing a very good job under the foremanship of Mr Darrel McGill, they are to be commended for the work that they do and more power to their elbows.

Camp telephones - well it's bone of contention which will go on for a long time. I happen to think that Cable and Wireless have bought a duff system for Camp in general. Some of us have very good reception, some of us have very poor reception still. This seems to meander on for ever and people get fed up complaining and fed up hoping that it's going to improve and I really feel now we're into the third/fourth year of Camp telephones, that Cable and Wireless have to look urgently at this. Have to get it right for the camp and provide a decent service for everybody, not just the excellent service which is provided in town. On that point when I was in Newfoundland their telephone system which is much related in some ways in Labrador to the system out here, is a whole lot better. Perhaps Cable and Wireless would take a look at that part of the world and see if they can learn any information.

Television too doesn't reach all parts of the Camp - we get it very well at Fox Bay but Port Stephens and other places do not receive television at all, and I'm pleased to see that we have set aside some money to rectify that this year. I'm pleased also that Government has taken over the maintenance of the two-meter repeaters - or will be taking over the maintenance of the two-meter repeaters - which will provide a back up system should the telephone system fail

if anybody is in the Camp in dire need of help and away from any kind of telephone system, so that has to be kept I think and it's pleasing to know that we are going to continue to do that.

I mentioned Newfoundland, Sir. We attended an intensive oil related management course which was intensive actually, for a couple of weeks. Very interesting. At the moment Mrs Rendell who was part of the delegation is away on holiday, when she gets back and Mr Ian Dempster who has just arrived at FIDC settles in, we will get together and produce a report on our visit and hopefully some things will come out of it that may be of help to us in the future development of oil. On that point as a member of the Oil Core Group I would say that I feel very strongly at the moment that we should at this stage be talking about possible licensing of blocks towards the end of this year. At this stage we should be setting up a small department that collates all the information. At present it seems to me that we are having information and advice from BGS, from AUPEC, from DTI. None of that is really being collated - we have to know what our oil policy is, we have to have a policy for the next five years and I do believe it's important that we have as quickly as possible a Seminar. Not just for Councillors but for departments in Government that are going to be involved in this and that we should be looking urgently to a small department who will control or collate all this information and pass it on in various directions. I know there's lots of interest and I know there must be bits and pieces coming in from firms etc that really need looking at and we have to get together, sort out all the problems that will be coming with the regulations that go with the outline legislation and that is important. We have to have our conservation carefully controlled and looked at and I believe we should have done it or started this process a year ago maybe; but certainly we have to begin as soon as we can. At present as I say everybody seems to be giving advice but we are going to find ourselves in a position if we're not careful where everything is controlled in Britain, and we don't want the same situation - or at least I don't - I don't know how my fellow colleagues feel on this but I don't want the same situation that we had with the fisheries whereby it took a good few years before we were allowed to allocate our own licences. When I talk about a seminar I would like to see participation by BGS and AUPEC, and anybody else, DTI if necessary, but here in the Falklands where we can discuss it and then discuss it with the general public. There's a sad lack of information I think at the moment going to the general public and a lot of fear as to what might happen in the future. I found it interesting in Newfoundland that all the support for the oil industry in the seventies, when they had 17 rigs off their coast was done over two small wharfs and a bit of waste land that they had cordoned off for goods to be stored. So there are, and we do have good facilities here that we could use and that we can provide and all those services were provided by two small support ships. So there are things here that we should be setting in place now I think, or looking at the possibility of doing so. Anyway I won't labour on on that point Sir, it'll all be again in the report in due course when we get it together.

Can I just say to General Mackay-Dick that I wish him well along with the rest of my colleagues. I look forward, I know that you Sir, are going to replace Major General Corbit who a lot of us knew very well and we've watched him with interest every Queens birthday riding behind the Queen - we look forward to seeing you there Sir - good luck to you in the future and to your wife and family. Sir, I support the Motion.

The Honourable Mrs C.W. Teggart:

Your Excellency, Honourable Members. I think that there's been quite a lot of work achieved during this last week or so. A lot of it I'm sure will be talked about for some time to come. I think I was probably the only Councillor who objected to the thought of being able to read a prepared speech because I believe that very much of the work of this Council is actually the interaction between different Members and I would hate to see that go out the window. I'm sure it won't because no matter how thoroughly anybody prepares a speech they are never going to take into account what the person before them said, so they are going to have to be frantically amending what they've planned to say, I think, if they decide to go that road.

Whilst I think, apart from the Cruise Ships Bill, today we've probably been fairly quiet. I wouldn't like to have members of the public run away with the idea that we haven't given them all due consideration. They have been hashed and re-hashed, through GPC, through Executive Council and on their way here which is perhaps why I find it - I must say - distasteful, that one that has been hashed over and over again reached this stage before an amendment was proposed which split Council really right down the middle. I find it distinctly odd that this question hadn't cropped up earlier, however if that's as may be the Bill has been defeated. I find it even odder that I think all eight Members of Council actually supported the Bill apart from the date of its implementation and yet it has been defeated. I think it's a rather weird and wonderful way to have carried on and I do think that perhaps that if this amendment had been discussed earlier, then perhaps some way forward would have been found before it actually reached this stage.

I whilst sympathising with Councillor Edwards, in fact I do sympathise strongly with her for her remarks over conservation. Whilst in fact she might have misquoted Mr Bill Oddie's wording, certainly the inference in the leaflets and everything for the Penguin Appeal is that we don't care much about conservation and I find that that is also distasteful to think that this is a viewpoint that we are putting across to the rest of the world - that we don't care particularly when we talk about oil prospecting and the way forward on oil - and if people certainly away from the Falklands run away with the idea that we've got no interest in conservation and whilst also not wanting to shoot the penguin appeal in the foot I think that it should be made very much aware to members of Conservation that we do very much support their efforts but we also would like to get some good publicity out of it.

I have been asked by members of the local Overseas Games Committee to express their sincere appreciation to Members for voting £3,000 to contribute towards sending a team to Victoria in Vancouver for the Commonwealth Games this year. It is not a request that is going to be made regularly by the Games Committee but every four years the Commonwealth Games of which of course we are a member, takes place. I believe as I know other members of the Games Committee do that it is important that we use every chance we have to show that we are also a British Community and that we can take part in these events. There will be 3-400,000,000 people watching the events in Victoria later this year, and it's certainly gives me great pleasure that Members have supported the request for financial assistance from the Games Committee and I'd like to - as I said - express my thanks to them for that.

Something else that has also pleased me particularly about the upset over the demolition of the gymnasium is that we have also been able to pledge our support for the refurbishment of the parish hall. I can remember my first dance in the parish hall many years ago and it is nice to think that in future that hall is going to be available for more social functions.

I would also like to say how much I appreciate the work of the Special Employment Programme. I would in fact like to see it extended because we do have disabled people in our community who could also benefit from some work through the week. There are a lot of things that disabled people are able to do and I believe that it would be a worthwhile extension to the programme and it's something that I will certainly be supporting in the future.

I did, when we were talking about the Abusable Substances Bill - I did say that in my Motion for Adjournment I had a few comments to make on some of the concerns that I've certainly been expressing in GPC and really in every place I can over the last two months. I am greatly concerned that this Council I know over the last few years, they've passed legislation to combat underage drinking, today we had solvent abuse. We have, legislation I believe in place to combat drugs. All of these things are happening with more and more regularity in the Falklands. Perhaps I'm rather in the case of being the reformed smoker, standing here speaking, saying and I know that there are people at home who are going to say "she's a fine one to talk" but perhaps because of that and my sincere concerns over the sexual morality of a younger people I feel that I can stand here and say something. We are getting into a situation now where I suppose I don't really know how to put it. But I have had my children in three batches, I have two daughters who are in their late twenties, I have two teenage sons and I

have two small children. I have seen a severe disintegration of moral standards in the last 10 years since my eldest daughters were teenagers. What is happening now while my sons are teenagers and I get out and about a bit, I talk to the youngsters and I know what they are doing. I shudder to think what it's going to be like in 10 years time when my two small children are teenagers and for that reason I believe that members of this community really have to get a grip - there has to be some sort of campaign - to re-introduce teenagers to the joy of being young and not to abusing their bodies which is happening at the moment. As I said it's something that I'm greatly concerned about and I hope that I will hear from more and more people who I know are also concerned and it would be easy if I had the answers - I don't and I don't for a minute pretend that I do but I would certainly be interested to hear from people who are also concerned. I think one of the things with drug abuse certainly, in fact the recent information I found that drug users coming back to the Falklands said they didn't have to bring it in with them, they could get whatever they needed while they were here and I find this particularly disturbing and as I said something that I believe we cannot turn our backs on. I know that fellow Councillors are concerned when moral issues are discussed because it's another can of worms that nobody particularly wants to open but I'd believe that if we don't address it then nobody is going to and I really fear the disintegration of our society. As I said in 10 years time who knows what is going to be accepted as the normal.

Ending on a slightly lighter note I would like to thank all the people who have contacted me on the subject of a time change in the Falklands. I don't know if it's particularly achieved anything except that it has come across very clearly, that people hate it. Nobody has an answer but I think there's one thing I'm certain of now as I've been told that by altering the time twice a year, you don't get any more hours daylight in the day, you've still got exactly the same amount of daylight. How you use it is up to you but the best suggestion I had from an old age pensioner, who said rather than change the time, if you want the daylight in the evenings why doesn't Government start work half an hour earlier and knock off at 4 o'clock. Sir, I'd like to support the Motion for Adjournment.

The Honourable R.J. Stevens:

Your Excellency, Honourable Members. Firstly I would like to welcome the new Clerk of Councils and wish her well. I'm sure she'll enjoy the new job and say farewell to the General and also wish him well and his family for the future.

Moving on to link roads, I would also like to know the answer on funding and hope that funds can move across financial boundaries. I've made some very rash statements of how I'm going to proceed at Port Sussex and I've found that I've had, not only to fit in with other demands from farming but also the demands of other people that help me on this project.

Moving on from a subject that Councillor Eric Goss and I rub shoulders with to the ones that we're not so close, Landholdings. I would say to the people at Landholdings and I know a number voted for me not to be alarmed by what I'm suggesting and to study very carefully the whole of what I've been saying and not small parts and I believe that what I'm suggesting would be more beneficial to the whole community than some of the commercial decisions that also might not be as beneficial. My aims are to try and get young people, children back into camp. There is a lack of young people in Landholdings farms. How do you do this? I believe you do it by offering them something to connect them with the land. I wouldn't be at Port Sussex with the financial rewards that I get from 3,000 sheep unless it was mine and I think this is a very important point. We come to going back to commercialism. Landholdings are interested in immigration to get a transient workforce which is against ability. It's prepared to ignore Sheep Owners Association agreements on the whole of selling sheep which challenges local businesses like the butchery, and yet wages are probably very close to those agreements.

Again the idea of the fish and squid processing I've heard a little bit more, and I have to always support investing in camp but there would be a big social impact on a community as

small as say Goose Green of 30 people or North Arm of 41 when you're talking about a fish/squid processing plant employing 20 foreign nationals that possibly wouldn't speak English. So I would say to the people at Landholdings just to look at what I've been saying. I've been trying to do something for the whole of the camp and not for little pieces. Everything that I say isn't necessarily right but I'd like to put all these ideas forward and discuss them without any preemption or deciding without looking at the facts and discussing them fully.

I've always believed that roads have the greatest potential in making farms more viable and allowing the next generation of farmer to enjoy the best of both worlds. The camp life with access to the social amenities of Stanley. I've made it my business to keep in touch with the road programme on East and West. I've seen with my own eyes the enthusiasm that the North Camp road team have. It never surprises me to see and hear of members of the road gang taking their families back to the road at weekends to look at their achievements. The high commitment is matched by the farming community supporting the gang with anything from provisions to accommodation. It was a big step in realising and working the full potential of roads when Byron Marine connected East and West between Port San Carlos and Port Howard. Not only did it bring people from the West but people from Stanley went the other way. Camp roads are not purely for Camp, they're for everyone. I believe a summer ferry service would be very popular with a schedule throughout the year for special events in Stanley and Camp.

On the same topic I think STABEX money should be used on projects that help the most number of farms. A deep water port is essential to take Hogg Robinson and Darwin Shipping vessels for the West with a modest infrastructure. Every west mainland farm could save substantial sums just like most farms on the east do today on wool freight, by sending wool direct to UK. An abattoir will only help a small number of farms, the vast majority on the east.

The jetty idea could save farms like Port Howard, possibly between £8-10,000 on shipping wool alone. If we equate that with sheep or bullock numbers that would be 80 bullock at the going price of £100 an animal, which is what the butchery pays today; and that means a lot of cows to sustain that number each year. Every farm on the West would have the opportunity to save a lot of money if there was this deep water port on the West. I'd like to see one at Fox Bay and before we give up on that one I'd like the area thoroughly investigated to see if it's possible. I think a deep water jetty at Fox Bay would save that community. Also with STABEX funds a jetty at Brenton Loch would be of much greater significance to development of Camp as a whole. Equally island farms and farms that won't be near the road for some years should have a priority for jetties.

The VHF phones, I agree also that they are a second or third rate system. They've been a fiasco from the very start. How many charges, aeriels, batteries have we all had? From the very start Government looked at the experts to suggest a working phone system. Obviously Cable and Wireless work to financial restraints but they must have thought it could work. Today FIG is assured that the VHF equipment is working, to its design specifications. This suggests to me that other VHF owners/renters that the so-called experts got it wrong. Before Christmas, Cable and Wireless, a multi-national, multi-million pound, organisation agreed to chart future replacement of VHF to micro-stations over the next five years to be presented to the January EXCO. In May after much pressure from Government the Cable and Wireless Management met with the FIG and Cable and Wireless Liaison Group, with nothing. Cable and Wireless is now delivering something for June. For anyone on VHF I can only suggest the tried and tested method used before all this modern technology. I'm assured by a senior member of our community that it was one fire for I want my husband home, I'm lonely the children are playing up; two for a doctor and three for a death.

Many people feel that our identity as a people is being eroded by excessive legislation, references to how it's done in UK and to a degree I agree. How on earth did we survive before we could afford an Attorney General. I would hate to think we are slipping towards

being just like a little part of UK. It is a very fine line though between keeping up with acceptable standards in modern day and not having the freedoms that long term residents have always enjoyed in the past.

I would like to finish by mentioning diversification. Time and time again people in government bring up good ideas about diversification. Time and time again people in camp try to explain the problems. To make a £1,000 by growing potatoes you're talking about 50 bags of main crop spuds. Even if you can rotovate whole gardens you still have to plant and lift and by hand that's a lot of work. To mechanise in such small areas would be impracticable and also offset real profit. One of the best controlled responses to this subject was in a letter to the Penguin News which read "Don't judge a man until you've walked a mile in his mocassins" or words to that effect. I'm attending the Party Conferences in UK during late September and the first half of October. This is the time when as a family we get 300 yards of peat cut and our modest gardens planted and the ewes assisted with lambing, main flock and three small stud flocks. If anyone in Government or FIDC want 300 yards in my mocassins and to plant additional crops, we could always leave the kids to be supervised in radio lessons and homework and to prove a point in diversification, please don't hesitate to contact me. Sir, I beg to support the Motion.

The Honourable Mrs S Halford:

Your Excellency, Honourable Members. In rising to support the Motion I have a few points to make but hopefully will keep it brief.

As I'm the Councillor responsible for the Agricultural Department, I think it apt to start with them. I'm pleased to be able to report that although several posts within the Agricultural Department are filled by professionally qualified people from overseas; all of these people are employed on local salaries with no hidden inducements or gratuities.

The eradication of hydatid is causing many people concern and the Agricultural Department seem to come under the hammer whenever this topic is mentioned. Living in a small community as we do, it may be difficult to report a friend or neighbour who you believe to be committing an offence but nevertheless I find it hard to accept that in relation to the anti hydatid campaign many people are prepared to turn a blind eye. The Ag Department, like the Police to a great extent, rely on public support in the role of incident reporting. **If the general public were to shun their duty to each other and the community as a whole what sort of society would we end up living in? The Agricultural Advisory Committee met recently and submitted various proposals to EXCO which they felt would help to eradicate hydatid.** Amongst these proposals was a suggestion that all dogs in the islands should be registered and pay a licence fee as already happens in Stanley, and in return free drugs and other costs associated with the anti hydatid campaign would be issued. Other suggestions were:- that dosing be carried out monthly, random dung sampling and copra antigen testing be undertaken with all positive findings resulting in substantial fines, implanting of micro-chips for identification had also been suggested. A lot of these proposals were not accepted and the Committee have been asked to re-consider their proposals and re-submit them to the next EXCO. With this in mind we now propose to have a phone in to FIBS next Tuesday in the hope that we will get a feedback from a lot of members in the community and especially those in camp, who at the end of the day whatever decision the Committee makes and we'll agree to, it will be those people that will have to live with that decision.

As to the strange people that I must talk to - I can only suggest that the Honourable Member from North Arm takes time out to listen to some of the employees of his employer. What hasn't been mentioned I feel that although some people are not happy with the MSL being taken away, I'm sure that the employers are more than happy. On the other hand employers now will have to pay additional costs for OAP as they will now have to start contributing for their female members of staff as well as their male.

As to the roads around the Falklands I'm very pleased to say that I've actually driven along both the roads on the East and the West this year and as far as the building progress has gone, I would have to say I would give first prize to the West roads this year rather than the East. On the East road I was rather unhappy to discover that one section on the road past Teal Inlet the contractor has in effect created a pool for fish. This would be all very well if the culverts were low enough to allow the fish to actually get up river to the pool. The other thing I would like to mention in conjunction with the roads is the Fox Bay Airstrip. I believe the people who have done this have done a commendable job. It's an excellent strip.

And finally I would like to thank the General and his staff for the continued support to the islands. I'd like to wish you well in the future.

The Commander British Forces

Your Excellency, Honourable Members. As you've heard very sadly this is to be my last Legislative Council Meeting as my wife Carolynn and myself leave on the 15 June, the day after Liberation Day; and thank you all very much for your good wishes and your kind words.

We're very sorry indeed to be going and have our time cut short by six weeks, particularly so as I'm a great advocate of officers, warrant officers and the senior non commission officers staying here for longer. And especially for some of those on 12 month tours to extend them to at least 18 months. It was certainly not our wish to return early but I'm required to take over London district on 22 June from General Robert Corbit - who's moving to another job earlier than planned - and who was known to some of you as Councillor Edwards has mentioned when he was the Chief of Staff in I think what was affectionately called the "Old BFFI Building" and that was in 1984. It hardly seems 10 months since 3 August 1993 when I arrived to take over from Admiral Neil Rankin and during these 10 months we could not have enjoyed ourselves more. Not only has it been a great honour and experience to command such outstanding people in all three services, but it's also been a very great privilege to be an honorary member of the Falkland Islands Government. It's also been the greatest pleasure to meet so many members of settlements and to visit these settlements as often as we could. I'm only sorry that we haven't managed to get to every settlement but perhaps we can put that right if we do an Admiral Layman and come back at some stage in the future, and when we do from what I've heard this morning, we will no doubt be able to visit a large number of settlements by road and ferry. Your Excellency, Honourable Members, I don't think it would be appropriate for me to make a long speech this morning but there are one or two subjects which I would like to mention briefly, and the first is the role of British Forces, Falkland Islands.

As you know our role is one of defence and deterrence and all three services demonstrate this deterrence by regular patrols in the Falklands seas, skies and land and also by regular exercises. With regard to the latter we are most grateful to the Falkland Islanders for allowing us to train so realistically and low flying is just one example, and for allowing us to make such good use of so many excellent pieces of land for our field firing ranges. All this ensures that our service men and women down here keep their professional skills and equipment, ships, submarines, tornadoes and so on in the best possible condition and this in turn, I believe, demonstrates our clear commitment to the defence of the Falkland Islands. Whilst on the subject of defence I'd like to mention how impressed I've been by the Falkland Islands Defence Force and how pleased I am that they are to take part in an exercise at the end of our exercise Cape Petrel from the 22-25 July. They have a very valuable role in the defence of the Falklands and it's important that they should be able to practice it at regular intervals. And I'm delighted to hear this morning how much the open evening yesterday was appreciated by those that attended.

May I also thank FISHOPS very much indeed, for all that they do to assist us in establishing what we call a clear maritime picture of the Falklands Interim Conservation Zone. The Cordella, Resolution and the Defender aircraft together with the Royal Navy, Royal Fleet Auxiliary and all the aircraft at Mount Pleasant have co-operated extremely well in these operations.

And now a word about civilian and military relations. I've already mentioned how much my wife Carolyn and I have enjoyed visiting Stanley and as many settlements as possible throughout the islands, and I've been very pleased and proud to see the obvious mutual respect in which we, the military and the civilian population hold each other, and I'd like to take this opportunity to thank all civilians living here for being so hospitable and supportive of the forces. For example, you've looked after our patrols as they move around the camp, sometimes in very challenging weather, you've shown great hospitality to service personnel on R and R and all the service men and women to whom I've spoken about their visits to R and R Centres and to the camp could not have been more grateful or appreciative of the warmth of hospitality shown them. Nor is it very long ago that you very kindly built us a swimming pool at Mount Pleasant and that has made a tremendous difference to our lives there and now you very kindly offered to increase the number of houses we have at Mount Pleasant so that more officers, warrant officers and senior non-commissioned officers can be here for 12 months or longer and this is very generous of you and I can assure you greatly appreciated.

With regard to military aid to the civil community tasks as we call them, I regret that we haven't been able to do more but I hope that what we have done for example the footpath between the school and Racecourse Road housing estate, help towards the tennis court in Stanley and the repair of the church at Grytviken has been of some help. Where we've also tried to help is in medical evacuation to Montevideo and there have been three of these in the last nine months and in search and rescue tasks - mainly in aid of fishing vessels - and there have been seven of these in the last two months and as in all these instances lives have been at risk, I'm delighted that we have been able to assist. We've tried also to support local businesses, we've increased our purchases from Stanley Growers and we've used the Falkland Islands Company to carry out internal painting on HMS Dumbarton Castle. Other work has been on offer but has not been taken up, either because the local bid has been a little too high or the necessary skills have not been available. However all these matters are openly discussed in the Falkland Islands Trade and Employment Forum at regular intervals, and whenever we can get better value for our money by buying locally then we certainly will. One development clearly going to involve us in the future, perhaps the not too distant future is oil exploration and we can foresee much more use being made of Mount Pleasant airport, so much so, that at the moment we won't unfortunately have the manpower or the facilities to process the likely increase in numbers. Numbers of aircraft, numbers of personnel through our own terminal. I know that the Falkland Islands Government are well aware of our concerns here and we've identified an area at Mount Pleasant between the tristar hangar and our helicopter base which could be developed if necessary as a civilian air terminal with its own access road and security. I think that this would be a sensible development as I firmly believe that the military base here must continue to focus its attention on its military task of defence and deterrence and its attention and security must not be prejudiced by having to deal what could amount to a considerable flow of civilian air traffic in the future - and I do stress the word could depending on of course how things develop. Your Excellency, Honourable Members I think that's quite enough from me but before I close I would like to thank you again and all Falkland Islanders very very much indeed for all your wonderful hospitality to me and my family. Our time here as I said has been far too short but we will leave with many many happy memories. We have for example taken over 700 photographs, been very good customers of Falkland Printz so there will be no shortage of memories for us. Many of these photographs we've had enlarged and on a day - as I said the other night - with a blue sky and a blue sea it will be very hard indeed to find a more beautiful place than the Falklands.

With regard to time and tour lengths, I've written my end of tour report and it left on the Tristar on Wednesday and I have very firmly recommended amongst other things, that key military personnel at all levels should stay here for longer and I know that this has support from several areas back in London. I hope therefore that progress will be made in this area in the not too distant future.

As you know my successor, Air Commodore Peter Johnson, arrives on 10 June. I've written two long letters to him enclosing quite a number of these photographs and I know that he, his

wife and two young sons are very much looking forward to their time here. With regard to my next job in London district, my office from September onwards will be in Horseguards. At present it is in Chelsea Barracks while Horseguards is being renovated but both places are very close to the Falkland Islands Office in Broadway and Carolynn and I will certainly be contacting Sukey Cameron and Anton Livermore in the Falkland Islands Office when we arrive in London, and we'd also be more than delighted to see any other of our Falkland Islands friends if they find themselves in London. The Falkland Islands Office will know how to get hold of me.

Your Excellency, Honourable Members thank you all very much for listening and I beg leave to support this Motion.

The Honourable E.M. Goss MBE:

Your Excellency, Honourable Members, General. If I may interrupt the general pattern of procedure of these chambers today, I'd like to thank the General for his patience and his contribution in Councils and to the community. It is my pleasure to pass on from the Councillors and the people how grateful we are to MOD for promoting a veteran of 1982 to Commander British Forces, Falkland Islands and we've enjoyed your short stay here and I say short because it's only been - as you said a while ago - 10 months. I take this opportunity to thank you and your good lady Carolynn for the good company in your term of office and I know when you leave our shores on the 15 June, the Falklands will have two more good friends and champions in London. To mark the occasion of your last LEGCO, I will now present you with a small gift from the CPA Branch of the Falkland Islands - it'll be their tie - and on this tie which I see two around the table, maybe three, there is a little outline of the coastline of the Falklands and I'm sure you'll wear this on special days. So I'll find it in my brief case and just interrupt procedure for a moment longer and come along and present it on behalf of all Councillors.

The Honourable the Financial Secretary:

Your Excellency. This strain of the common cold which I have just named "Eric's revenge" has unfortunately has not confined itself to elected Members. I am beginning to suffer from it's effects.

In answer to the questions from Councillors' Goss and Stevens - on the carry forward of unspent monies, particularly with regard to camp tracks - I can advise that had we been aware of the anticipated underspends in Select Committee it would have been fairly simple to have made the adjustments from one year to another at that time. However there is an opportunity to revoke expenditure by supplementary appropriation and if urgent and unforeseen can be advanced from the Consolidated Fund. We have agreed to review the procedures relating to appropriation for a couple of projects - the cost of which are spread over more than one financial year.

With regard to those people who are disappointed with the tax reductions I can advise that the Government would not refuse any voluntary contribution to the Consolidated Fund. Also I am sure that we could come to some arrangement with the collection of commercial refuse if any interested businesses are willing to continue to pay the equivalent of their previous assessment to rates.

The defeat of the Cruise Ships Bill although unfortunate demonstrates the effectiveness of the democratic process in the Falkland Islands. If at first we don't succeed we must try again.

With regard to Councillor Halford's mention of the Old Age Pension contributions in respect of females, I can advise that the revision is still in progress and although that is a proposal no decisions have been made yet.

I would like to join with Honourable Members, Sir, to wish the General and his wife the best of luck for the future and to thank you both for the hospitality you provide at Mount Pleasant Airport and at Hillside Camp. I believe a further opportunity will exist for farewells to the Chief Executive so I shall leave them to that time. Sir, I support the Motion for Adjournment.

The Honourable the Chief Executive:

Your Excellency. I'm glad that there's going to be some alternative opportunity to perhaps dwell on my contract ending which is, I've got 25% of the current year's contract still to run before I go so it does feel just a little premature. There are a number of points that Honourable Members raised that I would like to touch on if I may and they are in no particular order.

The Honourable the Financial Secretary has just mentioned the defeat of the Cruise Ship legislation. Those who were listening closely during Select Committee will actually realise that it is to the financial benefit of the Falkland Islands Government for the current system to stay in place and the majority of vessels would have benefited had the legislation been introduced. The Financial Secretary also mentioned that if at first you don't succeed, there was a version at School that I went to was, 'if at first you don't succeed run away and never heed, move onto something else I think is probably a better thing.

Revaluation of the farms is going to be a major topic and I hope that very close consideration will be given to those farmers who have shown prudence, propriety, hard work to clear off their debts at an early stage. It seems to me a dreadful shame that those people who have been brought up with a strong ethic not to borrow but to pay cash on the nail who have made extraordinary sacrifices to pay off debt might actually find themselves being disadvantaged by measures to help a majority of others who were not able to take those particular decisions.

I'm glad that the Honourable Member from Port Sussex tried to allay some of the alarm that he has caused among Falkland Landholding employees. I speak not just as the Chief Executive but as a very committed director to that Company. Whenever anybody suggests a review this means my job is at stake and Falkland Landholdings in its short life has gone through enough of those exercises to last most of those people a very long time indeed and it is unfortunate that this proposed review is to take place while we are still waiting for the results of the current review that is actually headed by the Honourable Charles Keenleyside but it is comforting for everyone to know that there is such a close interest being taken in the welfare of Falkland Landholdings and indeed in its profitability.

I'm sad that no-one has mentioned the departure of the last Editor of the Penguin News. I think the role played by Jim Stevens was really quite remarkable. He was given the task of bringing the Penguin News back to life. I recall when I came here someone said "it's called the Penguin News because an edition appears as frequently as the penguin hatches an egg". Jim in a very short space of time got the thing onto a firm footing, produced it absolutely on the nail every fortnight, after encouragement made it a weekly, and it's now become a very significant part of the Falkland Islands structure. I think he played a very strong part in that without a doubt and our thanks should be sent on to him. He and Kate were substantial players in the community as a whole and I think they will be missed and it is my sincere hope that they will return to the Islands someday.

Mention was made of an oil department and there's absolutely no doubt that an oil department is required, but not yet. We still haven't got one bit of evidence on which we should be funding any form of department. We've had a seismic survey, we haven't had the complete seismic results. Nobody except for political reasons has bought any of the information. Until we have some form of legislation, until we have very clear indicators from industry that they are actually going to spend tuppence here, it would be really inappropriate to be setting people up in jobs if there is no real seriousness that the thing is going to continue. I believe what we have done - and what we have done has been applauded by the various organisations who've come down and looked at it - and that was to set up a shadow organisation so that people are

doubling on the jobs. It happens that we are very close now to being in a position where a policy can be set. You've got Prynne, the report from Bill Butler has just arrived, we've had as close as I think we're going to get a final report from AUPEC, we're in touch of course through the FCO with the Department of Trade and Industry. The time for a decision to be made is soon but what I wouldn't want anyone to believe is that there has been any neglect. It has been seriously considered stage by stage - not just by officials but by elected Members and we are proceeding in a planned and measured way and timing is everything.

Turning to the matter that was constantly raised during Select Committee - and I'm indebted to Councillor Teggart for raising it this morning - the matter of the changing moral standards in the Islands. I think that this is undoubtedly a matter that is of considerable concern. There is of course an extraordinary contradiction in that whilst a number of thinking people are talking about this decline and bemoaning it, there is no action being taken that I'm aware of to encourage religious education in the school curriculum. It would seem to me that if there is no moral education, religious education really does have to be given some consideration. I would say it should be encouraged and included as a matter of course anyway but that is my particular preference, but faced with the situation that we have some guidance has to be given to young people at a particular - and opinion forming time in their lives - it seems to me an extraordinary absence that no effort is taken with religious education in the Falkland Islands.

I would like to add my own of appreciation to Commander British Forces for the role that he has played here since his arrival. It is easy for people to say that, well he's been here before he's bound to like it. I think there are all sorts of places in the world where soldiers have served and heard the odd shot fired and the whiff of gun powder, they never ever want to see again in their lives. But I think it has become shingly clear from the way that General Iain and Carolyn have acted whilst they have been here that they've thoroughly enjoyed the experience of being in the Islands and that is something that the people who live hear, share with you. You've taken extraordinary trouble to encourage other people to come. It was a special pleasure to see your mother visit here and I hope that she continues to enjoy good health and you've encouraged many others to visit and I think that is the sort of thing that demonstrates the true affection which is a bonus if we get it. I took some trouble to read carefully the minutes of the Legislative Council Meeting that you had at this time in 1988 when the officer that I replaced was leaving; and I noticed at that meeting that the Honourable Member from Hill Cove at the time said "Well I suppose we've got to say goodbye to the CBF, the trouble is there's nothing new you can ever say about an outgoing CBF, well not until we get a bad one". Well we haven't had a bad one this time around and we are very grateful to you.

Considering the matter of the civilian air terminal - again it is a matter of timing. Until we have reached the stage where there is sufficient commercial flights coming into the Islands that will make it a viable concern and by viable I mean generating sufficient cash to pay for it's cost and for it's running, it is something that we really cannot seriously consider. I believe that we should look hard at going for cost sharing and sharing some of the staff responsibilities at the airport in the same way that we have reached the successful formula in cost sharing at the hospital. And there may be as time goes on a number of areas where this cost sharing and gradual increase of responsibilities can take place that may ultimately lead to a separation or one thing taking over from the other.

Your Excellency, I would like to join in, in thanking the Honourable the Financial Secretary for all the hard work that he has done in the preparation of the budget and indeed his department. I think it would also be worthwhile mentioning that the Attorney General's Chambers continues to produce an extraordinary amount of work considering the establishment of the organisation and we wouldn't be where we are today - and much of it is progress - it isn't all bad news that comes out of there; much of the progress that we enjoy is thanks to the dedication of the Attorney General and Senior Crown Counsel and their staff. I support the Motion Sir.

His Excellency the Governor:

Well, may I thank Honourable Members for their contributions to the Adjournment debate. I think we've had a very useful run over the ground and we've looked at most of the main issues which we faced today. In closing I should like briefly to look ahead to the events of the coming year and to the various challenges they present to us. I think oil development will dominate the coming year. When I look at the subject I am reminded of the story of the farmer who wanted to plant trees and set his men to work. When he went down to see what they were up to he found them on an extended smoko so they said to him, "What's the hurry, it's going to take twenty years before we see anything". The farmer replied "Yes exactly, that's why we have to get on with it now". And I think Councillors on oil agree with the farmer. We have to get on with it now. In Stanley in the coming months we shall be preparing oil legislation and model clause regulations. It is extremely important that when we take any decisions we know exactly what they mean for our future. I know that the draft legislation and our consultants report on taxation are complex and indigestible documents but the Administration does need Councillors to focus on them and we are considering organising a teach-in - which I think Councillor Edwards calls a seminar - the same sort of thing, for Councillors and for the Oil Core Group to go through the drafts in detail. I think that's the only way we can ensure that we are all aware of the consequences of whatever decisions we take.

Very shortly we should receive the final report from Environmental Resources Management which is Mr Peter Pryn's company. As I said in my EXCO broadcast, having seen the draft of Peter Pryn's report I heartedly recommended it to everyone who's interested in the future of the islands and in what oil will mean to them, their family, their business. Mr Bill Butler's report has just been received and that will help us to decide how to organise the licensing process. Meanwhile in Edinburgh, British Geological Survey will be working on the seismic results and preparing to put their proposals to us on which areas should be offered for exploration and under which conditions. And on July 14 and 15 the British Argentine High Level Group will meet in Buenos Aires. This will be their first meeting for two years and Mrs Phyllis Rendell, the Director of Education will be present to represent the Falkland Islands Government.

Councillors went over the ground with the Secretary of State, Mr Hurd, when he was here in April and I think he knows where we stand. Everyone can see that Argentine acquiescence in oil development will make the process smoother. It will be easier to persuade oil companies to invest the hundreds of millions of dollars required. But Councillors have said very clearly that they will not accept any weakening in British Sovereignty over these islands; nor are they prepared to accept the presence of Argentine workers or indeed other visitors on these islands. Towards the southern spring we should be in a position to put legislation to this House and to make an announcement of the opening of the licensing round. What this will mean for us when the process gets underway is spelt out in detail in Peter Pryn's report.

What else is going on? The Director of Fisheries, Mr John Barton, left yesterday for the South Atlantic Fisheries Commission meeting in London. We hope this will produce a longer term agreement over fisheries with Argentina though we have to accept that the exact figures for catch will probably need negotiation every year in the light of fish stocks. The very poor illex harvest this season is certainly bad news but there are a number of encouraging features in the way in which the fishery has been administered this year, which are worth noting. The first was the parallel closing of the illex fishery by the Falkland Islands Government and by Argentina with effect from yesterday. Council has welcomed this, so do I. We can also welcome increased Argentine efforts to police their own fishery effectively, although I think what is required is more of a sustained regular effort and less occasional forays in strength. We've also seen some increase in the price of Argentine licenses though again relevant to our own or to those of say Peru, foreign fisherman are still catching squid in Argentine waters very cheaply.

Looking ahead to other events - Councillors Luxton and Teggart will be attending the meeting of the Committee of 24 in New York late in July. We don't need to exaggerate the importance of this Committee but it does give us an opportunity to state our case on the world stage and on conditions of equality with Argentina. I have no doubt that once again Councillors will put forward in robust terms the case for self determination.

Lastly can I mention one other forthcoming event which is of local importance and that is the 150th anniversary of the establishment of the town of Stanley. We have chosen to celebrate this in December because the weather should be better and because we can fit in with the Battle Day celebrations. It was in fact on 15 July 1844 that Governor Moody left Port Louis finally and moved to the collection of shacks and shanties which his Sappers were building along the shore of Jacksons Harbour, soon to become Stanley. We've come a long way since then and the events of next December, while they will be low key and of minimum expense to Government, will give us a chance to celebrate.

At our last meeting I said farewell to the General and I welcomed the new Clerk. I should like to conclude this meeting with two personal tributes. The first is to Anton Livermore, who will leave very shortly to take up the post of Representative (Designate) in London. In December he will succeed Miss Sukey Cameron who has filled the role with great distinction during the past four years. I personally owe a great deal to Anton. Like almost every Governor I was a newcomer to the niceties of Parliamentary life. I am most grateful to the Clerk for steering me through the maze of LEGCO and of course the occasional excitements of EXCO, but I'm also grateful to him for organising a succession of Parliamentary and other VIP visits to the Islands on behalf of FIG. These have enabled us to show ourselves to visitors as a small but dynamic and democratic society. We all owe Anton a great deal and we wish him well in London.

My final tribute is to the Chief Executive Ronnie Sampson who leaves us in September after five years in the Islands. This will almost certainly be his last LEGCO. Ronnie arrived in the Islands at a time when despite the opportunities presented by the sudden increase of government income, FIG was ensnared in the Stanley Fisheries tangle of Companies. During his five years here he has kept up the highest standards of public integrity and efficiency. He has cleared up the mess of Stanley Fisheries and has groomed the public service to provide an effective and responsive service to citizens. He has never lost sight of the need to involve Councillors in every aspect of public life and I am impressed with the way in which Councillors have assumed the responsibilities and opportunities which the Constitution makes available to them. I hope the public now realises that Councillors and the Administration form one team and are not playing on opposite sides. Throughout his time here Ronnie has worked unceasingly and to very high standards. He is fiercely proud of the Islands and has always gone that extra mile for them. I shall miss his support and we shall all miss his company and that of Jean. May I thank you Ronnie on everyone's behalf for everything you have done for the Islands and wish you well for the future.

Honourable Members the House stands adjourned accordingly.

Confirmed this 27th day of October 1994



Governor.

**RECORD OF THE MEETING OF THE
LEGISLATIVE COUNCIL
HELD IN STANLEY
25-27 OCTOBER 1994**

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RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD 25-27 OCTOBER 1994

Prayers were said by Canon Stephen Palmer.

His Excellency the Governor:

I think we have really a very short meeting this morning simply to elect Members to Executive Council. Before we do that could I just say that it has been asked whether Members who are not present, obviously Councillor Luxton, may be elected to Executive Council; the answer is yes he may. Is a Member not present entitled to vote by proxy? The answer is no he may not. One other point is that if any Councillor does not wish to stand for Executive Council it would be helpful if he or she could say so now so that we don't elect someone by mistake.

The Honourable C.D. Keenleyside:

I do not wish to stand for Executive Council, Sir.

His Excellency the Governor:

Thank you Councillor Keenleyside.

ELECTION OF MEMBERS TO EXECUTIVE COUNCIL

The election by elected Members of three of their number to Executive Council then took place by secret ballot. The President then announced the names of those elected namely:

The Honourable Mrs C W Teggart	Stanley Representative
The Honourable Mrs N Edwards	Camp Representative
The Honourable Mrs S Halford	Stanley or/Camp Representative

Council then adjourned until Thursday 27 October 1994 at 2.00 pm

CONFIRMATION OF THE RECORDS

The Record of the Meeting held between 28 May 1994 and 2 June 1994 was confirmed without amendment.

PAPERS LAID ON THE TABLE BY THE HONOURABLE THE CHIEF EXECUTIVE:

Copies of Subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of the Legislative Council and laid on the Table pursuant to section 34 (1) of the Interpretation and General Clauses Ordinance 1977:

1. Orders

The Livestock (Amendment) Regulations 1994

The Darwin Road and Port Louis Road Designation Order 1994

The Magistrates and Summary Courts (Guilty Pleas in Absence) Rules 1994

The Fishing Licences (Applications and Fees) Regulations 1994

The Dogs (Amendment) Rules 1994

The Stanley Common (Commonage Fees) (Amendment) Regulations 1994

The Enforcement of Judgements (Australia) Order 1994

The Post Office (Amendment) (No2) Regulations 1994

Pensions (Unestablished Locally Recruited Employees) (Amendment) Regulations 1994

2. Annual Accounts and Auditor's Report in relation to the Media Trust for the year ended 30 June 1993 and laid on the Table pursuant to section 9(2) of the Media Trust Ordinance 1989.

The Honourable the Chief Executive:

I beg to lay on the Table the papers named by the Clerk.

QUESTIONS FOR ORAL ANSWER

Question Number 9/94 by the Honourable E M Goss MBE:

Will the Financial Secretary please explain why coins from other British Territories are not accepted as legal tender in the Falklands, considering they are sterling and all bear the effigy of Queen Elizabeth the Second?

The Honourable the Financial Secretary:

Your Excellency, Honourable Members. The reason why coins from other British Territories are not accepted as legal tender in the Falkland Islands is because they are not issued under the authority of the provisions of the Currency Ordinance 1987. Currency notes are also subject to the same legal provisions. Other territories and countries have similar legislation.

Legal tender means a currency in specified denominations that a creditor must by law accept in redemption of a debt. We can therefore only insist that currency issued under the provisions of the Currency Ordinance is accepted as legal tender. The Currency Ordinance provides that the Falkland Islands pound shall have a parity with the pound sterling. However, this is not necessarily the case with the currency of other territories. It is convenient for sterling to circulate in a controlled manner with Falkland Islands pounds because it is on par and because there is a great deal of travel and communication between the Falkland Islands and Great Britain.

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. I thank the Financial Secretary for his reply and I would accept there is no problem with notes because they are not so much in use but coins are used quite frequently in coin operated machines, like pay telephones and commercial washing machines. I don't know if there are any cigarette vending machines or others that are in use; but the people who operate these machines at the end of the day end up with a lot of coins that no one else will accept. I note that there is a complete famine on questions at this meeting and

I expect other Councillors will try to cash in on supplementaries, to coin a phrase but perhaps consideration could be given to accepting coins. They do say on the reverse of the pound coin, one pound and the fifty pence coin: they are the two that are mostly in circulation that end up in your pay telephones or your commercial washing machines or whatever. So I'd like this House to consider perhaps a way around the present regulations and laws with currency.

The Honourable the Financial Secretary:

Your Excellency, Honourable Members. Certainly consideration could be given to accepting the coins and what I would suggest is that a policy paper be submitted to Executive Council on the matter.

The Honourable E M Goss MBE:

Thank you. I think that would satisfy me.

ORDERS OF THE DAY BILLS

The Offshore Minerals Bill 1994

The Honourable the Chief Executive:

Your Excellency. Under Standing Order 40 this Bill is deemed to have been read a first time. I therefore beg to move the second reading of the Bill.

The Bill was read a second time:

The Honourable the Chief Executive:

Thank you Your Excellency.

Honourable Members. This is an historic moment. Certainly it is the most far reaching Bill that has come before this Council for some time. What we are about to debate today has the potential for prosperity that the early settlers on these Islands would marvel at, could they see it. I believe that we are the very last island on this earth of any size to be inhabited from the developed world. And most of those 161 years since then have been a struggle. They have been a struggle against the meagre natural resources that occur on the Islands. They've been a struggle against the territorial ambitions of Argentina and they have been a struggle against the vicissitudes of actually being a colony. But, we are very fortunate that there is a God given providential tide in the affairs of men, and within a few miles of our beautiful and rugged shoreline, there exists today a fishing resource of world stature and it is of world stature whether we regard that as a matter of quality or a matter of quantity or indeed a matter of management of that resource. But now, in addition to that, possibly, we also have a hydrocarbon resource which could also be of world stature. That has not changed the territorial ambitions of Argentina (probably made them a lot worse). Some would contend that it hasn't even changed the vicissitudes that are ours by being a colony. But, we no longer have the meagre natural resources because of fishing that we once had and already we are well up the world league table in terms of G.D.P. per head of the population. If hydrocarbons abound in sufficient quantities off our shores we have the potential to be at the very top of that world league table. So, this wonderful natural resource of fish plus the promise of developed oil gives us a unique and possibly once only opportunity to mature as a nation. A very small nation in fact, probably even the smallest nation in the world, but that, Honourable Members, is the prize.

Now, what do I mean by saying mature as a nation? I'm not talking necessarily about independence. What I am talking about is ridding ourselves of dependence through sheer economic clout. I mean we have a way here of paying our way in the world; of being perpetually secure, of ensuring that the Argentine threat is neutralised, and of seeing that those vicissitudes of being a colony are no longer our lot. If today we turn our back on this, I believe, we will be answerable to our children and indeed to our children's children in future generations.

So, Your Excellency, the importance of today's debate cannot be over-emphasised. But even in saying that, I have to say that a bird in the hand is worth two in the bush. And a licence fee from Illex is worth more than all the talk and legislation about oil to us today. And it will be like that for the next ten or fifteen years and we must remember that.

So, what evidence is there for oil here, off our coasts? Nobody has yet recovered so much as one pint of oil or one cylinder of gas from these waters. The evidence is based on the known age of geological formations off our shores. Geologists know that formations of that age are likely to contain hydrocarbons. But although they may once have contained hydrocarbons, unless there is sufficient evidence of structural changes there, over their life, it is quite unlikely there will be anything there today, so we need to know not just the life of the rocks and their origins but, we need to know their structure. And that is why lot of seismic surveys have been carried out.

Now I have in front of me for a demonstration for Honourable Members, some seismic evidence. (I'll hold it up if you can see it if you have good eyesight, but I'll pass it around the Table). You may notice that this looks like a lot of blotches on a piece of paper with some coloured lines. That is, in fact, what it is, but each individual blotch is the result of a sound echo coming back to a seismic vessel. The time interval from the shot being fired and when it comes back into the reading equipment depends on where it is on the page. In fact, in its original form, it's a long chart that many of you may have seen. When that information is received back, in this case at the British Geological Survey, an expert who has been trained, for most of his life probably in doing nothing else, plots coloured lines across here where he sees significant structures arising. So, if there was a change in the strata under the sea, that change could be shown by a coloured line by the judgements made and it's where those coloured lines show differing structures that the excitement begins. Now this, as you may recognise is a fairly bland sort of structure. That one, too, is also bland. It is noted there the gently undulating late cretaceous early Cenozoic unconformity in pink; I'm sure you will note that as I pass it around. However, you will see that this chart seems to be far more exciting. There's a lot more lines on it. There is evidence that the rocks have faulted and that they have shifted during their life. Now, what that means is that oil and hydrocarbon and gas is likely to be held up against some of these natural dams that occur in the rocks because they've moved against each other. It's that sort of structure that excites geologists. (I'll pass these papers around). Now during the seismic surveys, of course, they themselves are very imperfect because the ships go along set lines at a set distance apart and so the whole of the sea bed has not been surveyed seismically. It is just a sample and the evidence that we have is based on that imperfect sample. From the evidence, maps like this are produced; this is one produced, again by the British Geological Survey. It is, in fact, of the Eastern/South Eastern coast of the Falklands and you can see the kind of conclusions that they are reaching from the seismic information. Its meaning is, of course, quite complicated but, nevertheless, they draw conclusions from the data. I will pass that around as well, so you can have a look at it.

So, the seismic is not conclusive but, it is the best kind of evidence that we've got and it's the best kind of evidence, without actually going there and drilling, that we are likely to have. In addition to that note of uncertainty, I have to say that this is not an attractive location for oil companies. This is classified as a frontier area. It is a long way from most of their bases, with long supply lines and higher costs than they would have nearer to home. In addition to

that, we are in considerable competition with other nations, who also consider that they have oil reserves and are also trying to attract oil companies to come and exploit them. In addition to that, another drawback is that we have very few human resources. This is going to be very hard work for us to see that we can progress adequately down this path in a professional and proper manner to get this oil exploited for the good of us all.

Another question I ask metaphorically is, does the world need this oil? How desperate is it? Surely, there's plenty elsewhere. Well, the proven reserves in the world at the end of 1993, were no less than 999 thousand million barrels. Now that's very difficult to conceptualise but, the figures alone, three 9's with 9 zeros after them tells us something of the sheer scale of the proven reserves. And, they are not just where oil is known to be, but where oil is known to be that is extractable using current technologies. The current annual production of oil, if it continues at the same rate - and we could debate endlessly whether it would go down or it would go up but - I think history would show it's unlikely to go down, means that if we continue as a world to extract oil at that rate, we have about 45 years life. So children being born now, if no fresh oil is discovered, have no certainty at all that transport, that chemicals, that electric light will be with them for all their lives unless other forms of energy, unless more oil is discovered.

It's interesting to see something of the distribution of this essential wealth. Saudi Arabia has 25.8% of the worlds' reserves. The Arab world has two thirds of the worlds' reserves, I'm sure we all realise the threat that many Western democracies feel that that is. The U.S.A., our major Western democracy, has only 2.3% of the worlds' known reserves; the same as Libya. Iraq has four times the reserves that the U.S.A. has and Mexico has twice as much. If we think of our friends in the U.K., they have a very successful North Sea oil field but in terms of world size, that is only 0.4% of the known reserves in the world. There have been recent discoveries this year that would increase that figure but, it is still a very, very, small figure - well under 1% of the worlds' oil reserves. In fact the U.K., if it were just to consume its own oil, would have only 6.6 years of supply. Coming closer to home, Argentina has only one third of those reserves that the U.K. has. It has about 7.5 years if it carried on at its present rate of consumption. Chile has a lot less, only one fifth of what the Argentines have, and very little production. Brazil, of course, is much bigger in terms of production and it has reserves totalling about 15.6 years supply. I'm saying all of this so you get some sort of feel for the distribution of this wealth throughout the world: get some idea of the scale?

I also ask you to remember in your deliberations, the question of gas. We talk about hydrocarbons and we always tend to veer towards oil but gas is actually quite an important commodity. Here, it is not conceived that we would be vast consumers of gas. There are not many of us but, nevertheless, it is conceivable that we would be able to have a very cheap supply of energy which would be a fantastic thing for our economy to make us more competitive if we could have cheap energy in abundant supply. But also, in South America, there is a great demand for natural gas and it would be quite possible to lay a pipeline from here towards all South America that will supply that, giving us a substantial income. So, even the discovery of gas, if there were no oil at all, would not be particularly bad news for us.

Some statistics on how many wells there are in the world: 926,000 producing oil wells. Now if I asked you to tell me how many offshore rigs that includes, I think you would be surprised at how few. Out of 926,000 there are only 308 production rigs in the world. Eighty two of them in the U.S.A., twenty four in Mexico, twenty four in Venezuela, twenty four in the U.K., so apart from those four countries, there are very few countries really, that have a substantial number of rigs sitting offshore. In South America, other than Venezuela, there are twelve in Brazil and two in Chile, and at the end of 1993 there were none at all in Argentina.

I stressed how small we are as a country and I would also stress how large oil companies are. They are larger than some countries that we would consider large in terms of G.D.P.

compared with turnover. And the whole future of those large oil companies depends on their exploitation of large and consistent and stable oil fields. Oil is absolutely essential to our current notion of civilisation. Atomic power has been classed as bad news in many countries. Wind power is not able to deliver with the efficiency that many hoped it would. Hydro-electric power is highly dependent on being blessed with a natural resource of rivers at high altitude. So, to most governments, oil is essential to maintaining the civilisation that we enjoy. And 45 years is not long. Even a hundred years in terms of oil supply is not all that long; and if we do have substantial oil reserves off our coasts, then we could be, Honourable Members, the oil field of the 21st Century.

I'd like, for a moment, to concentrate on the Bill itself: this fat document in front of me. I won't go into any detail and I am sure you will be very relieved to know that as we've already been through it in some depth but, it has been being drafted for the last six years. This is in fact, I'm told, the ninth draft of this Bill. Most of us have, in fact, had it for a year. It was published last August 8th. It is the result of a prolonged background study, of tortuous consultation with experts, of consultancy reports. Many of you also will have noticed the official "car" of my learned friend, the old blue Rover with the black door, outside the Secretariat late at night as the midnight oil is burnt. There are some 2,000 man hours of great drafting skill embodied in this Bill. The Bill is an enabling Bill. That means it is a Bill that is necessary for us to be able to make decisions later on other things that flow from it. There are many analogies to this. Some have said it is the foundation upon which we build; some have said it is the steam engine that we are building and it's going to pull a train when we get it on the rails. Some may view it as the mere skeleton on which we build an exotic and athletic body in years ahead. It may be regarded just as the canvass on which we paint exciting and absorbing pictures. It is drafted to be flexible. It is drafted in a way that enables us to make decisions later, as and when we want, in the way that we want.

In order to illustrate that, I'll tell you what it hasn't made decisions on and then you can see what's in front of us. There aren't any decisions here about the tax regime, one of the most important aspects of how actually this nation is going to get its money from any oil that is there. There are no decisions here on that. There is merely the mechanism to enable us to collect the tax. There is a mechanism here to enable us to protect the environment, but there is no detail as to actually how we are going to do that. There is no decision here on who is actually going to be allowed to explore. We can do that later. There is no decision as to what speed we are going to proceed at. Again, we can make those judgements and carry out those decisions later. There is no comment on related developments in the economy here within the Islands. That, too, we can encourage later. There are no decisions on the impact upon population numbers or, indeed, upon population lifestyle. Those issues are yet to be addressed. All these things that we must make decisions on over the next few years are vital and they will be subject to open debate and open decision. This Bill is not a juggernaut which takes away our flexibility. It gives us the power and the mechanism to determine our own future.

It has, Your Excellency, some 85 pages; it has 81 clauses and four schedules. It has six parts, going from an introduction through making sure that we can grant licences and that they mean something, through the whole legislation necessary on health and safety and management of oil, through the issue of submarine pipelines and, thoughtfully, right to the end of an oil well's life - to the issues surrounding abandonment and how people actually leave something once they've exploited it. And, then it deals with gas and environmental matters.

This is the Bill. It is, in fact, our Bill. Well you may say that's a strange comment. Isn't it a very British Bill? Well, yes it is in many respects a very British Bill. And, it is a British Bill because we are a Colony of the U.K., but that has many benefits to us in this situation. The North Sea represents the state of the art as far as offshore drilling is concerned and we are extremely fortunate for the advice and the help that we get from those experts who are world

class in this sphere. The oil companies are used to drilling in the North Sea. And, therefore, they relate quite strongly to a North Sea pattern of legislation and of control and frankly, there is no point, with the resources that we have at our disposal in re-inventing the wheel. We may well have fantastic reserves, but we are still very small and our relationship with the U.K. and the North Sea is a great comfort factor to those oil companies that we are going to have to sell this field to.

I'd like to comment also, if I may, on the timing. As I've said, this is an issue of the 21st century. We are planning now for our successes and for many years ahead. We're dealing with long time scales. Please, don't let your mouth water today. It is too early to do so. In fact none of us present will live to see the end of this. And few of us involved in the decisions that we are making today will live to see the full fruit of them. These are decisions that relate to the next 161 years and well beyond that.

I believe that there are two fundamental philosophies we must apply here. We must be certain that this Bill is correct; that it is the right Bill for us and we, as the Administration, are certain of that. And the other thing is that we need, through this Bill, to create for these Islands as much influence and control and benefit as we possibly can and that is what we are striving to do.

Because this is an historic Bill, and because I am new in this job, I would like to conclude by underlining some principles that I believe this Administration will follow in those future years when these decisions will be made that are so vital to the prosperity of these Islands. This is how we will behave, Honourable Members.

Firstly, I would emphasise openness. We will communicate with the population and with anybody who cares to listen on the details of what we're doing. We will encourage debate and we will stimulate criticism that I hope is constructive. Secondly, we will proceed one step at a time. We as an Administration are not anxious to spend money ahead of time. We will spend money when it is necessary in our judgement to do so. We do not want to run before we can walk. The third principle is, we wish to add value to these Islands. We do not wish to line the pockets of people from overseas and we get nothing at all out of it. At every possible stage we will be looking to encourage private sector growth and private sector involvement in the oil industry. The fourth principle is that we are looking for a fair balance in the distribution of any wealth that comes out of this. Yes, we need entrepreneurs. Yes, we need to be able to entice entrepreneurs with substantial rewards, but we're not in the business of administering rich pickings for the few. There must be a balance here and everybody must benefit. The fifth principle is that we must protect our wonderful natural environment. We are stewards of this environment and we hope this environment will be here long after the oil has run out. In the long term, it may well be far more important and we are not doing posterity any good turns by forgetting that fact. We will protect our natural environment. The sixth principle is that we will strive to protect our way of life. Now, what is our way of life? If I knew the answer to that question, I'd be quite pleased. I don't know it, but we do have a way of life here in these Islands that seems to me to combine elements of spirit, of robustness, of humour, of loyalty. It's safe to go out at night here, which I can assure you it isn't in the U.K., and we can determine our own destiny and our own lifestyle. I believe that human impact is the most significant factor that we have to consider as far as this legislation is concerned, but we will consider that some way down the line, well after today. But, nevertheless, we must preserve our existing way of life. And, the seventh and final principle that I would bring to your attention is that we will continue to strive to improve the standard of all services that Government provides, whether that is health, whether that is education, whether it's the Fire Brigade, whether it's Public Works, or F.I.G.A.S. or the Police Force or how we look after our older citizens. All these things we will attempt to improve as we are able to do so. So, there are seven points for your consideration as to how we approach the future in the light of the Bill that we are debating today. We're in a very unusual situation to

even contemplate being able to plan our future so extravagantly but, in our position, I believe it is prudent to do so.

I would sound one warning note while I've got the chance to say so. I believe that it is the Government's task to improve and deliver prosperity. But, prosperity is not necessarily the same as happiness. It is not the same as contentment. It is not the same as self-fulfilment, and my personal view is that sheer hedonistic materialism is not what we are attempting to provide.

So, this Bill gives us the ability to manage this process. I began by referring to history and I would end by looking to the future. How will we be judged in the year 2100? Will we be seen to have had the vision and courage that those early settlers had? If we pass this Bill today, I'm confident that we will be judged as possessing both those qualities. Honourable Members, go for this Bill.

His Excellency the Governor:

Does any other Honourable Members wish to speak to the Motion?

The Honourable Mrs C W Teggart:

Yes, Your Excellency, Honourable Members. I had rather been hoping that the Attorney General was going to introduce an amendment to this Bill. Because he hasn't it rather means that I'm either going to say considerably more or considerably less. I'm not quite sure what.

The Attorney General:

Your Excellency. Yes, but at the appropriate stage which would be at the Committee stage which is the next reading of the Bill. I can't introduce an amendment to the Bill during this reading.

The Honourable Mrs C W Teggart:

Sorry Sir, then in that case perhaps I shouldn't be speaking at this stage either and perhaps I should be speaking a bit later on.

The Honourable Mrs N Edwards:

Sir, in rising to support this Bill, I would say thank you to the Chief Executive for his very concise and reasoned explanation of perhaps how our future lies ahead. I know that there is a great deal of feeling in the Community; a little bit perhaps of fear that all of a sudden we seem to be rushing ahead at break-neck speed after six years of non events, and it's only within the last couple of weeks that the community have really had any real information on what is happening. But can I assure them that this is as the Chief Executive said, the bare bones, the enabling legislation which will enable us to put into place in due course all the protection that we need for our wildlife, the fiscal regime. Everything that comes after this legislation, to my mind, is extremely important, even, perhaps, more important than the Bill itself, and it will be looked at most carefully and we will take all the advice that we can possibly get from wherever we can get it to make sure that we get it as right as we can. Having said that, there are bound to be alterations in due course over the years. I hope in a hundred years people will be able to look back and say it was a wise step to take. It's a very big step for a tiny little place and small is beautiful to my mind. Perhaps we won't be so small for too much longer, but I hope we can control the rate at which we grow and keep our way of life. Well, it won't be exactly the same but it's as we want it.

I also hope, and my biggest fear of all with this Bill is that it will, in due course, if we are not careful, and if we don't have full control of it ourselves, be taken out of our hands and handled by the other end of the world, by the Foreign Office, by D.T.I. and people like that. Now, I am not against taking advice, of course, and we are welcome for any advice we get but I would urge future Councillors in this Chamber, and I am talking maybe 10-20 years time, or less, to make sure that they keep a firm hand on the reins, to make sure that they decide their future, just as we are trying to decide our future today.

There are assurances I think that people need to have. One is that I will never, ever, relinquish my sovereignty for oil. If it means that Argentina is going to somehow get a foot in the door through our minerals, if there are any there, through joint ventures with British Companies as they are in joint venture with British Gas at the moment. We can't stop them and we wouldn't want to. We welcome Britain's involvement in Argentina and their good relations with them. But my worry is that on the shirt tails of British Gas or some other company, some other joint venture, will come Argentina with a foot in the door and that I don't want to see happen. We have said, I know, that we will not give any concessions to Argentina but that, like any other country, if they so wished to bid for licences they would be considered. I would go no further than that. I feel that sometimes there is a bit of pressure to go further, to say yes, let's just have a little bit more co-operation with Argentina. I see that word all the time lately and we have never agreed to co-operate. We have agreed to co-ordinate where necessary as long as it doesn't impinge upon our sovereignty and I would remind the general public of that fact. Co-ordination and co-operation are not the same and I have never agreed to co-operate with Argentina. I never will over oil.

Sir, I congratulate the learned Attorney General for all his hard work over the years. I've seen his Rover out there. I know that he's had many, many, many hours of overtime putting this Bill together. We've nagged him in the past and said, "Well, where is it, what's happening to it?" As long ago as 1989, I think, we were saying, "Well, when is this Minerals Legislation going to be introduced?" And, it's a very comprehensive legislation. I couldn't argue with it because, I'm not a lawyer. I think the philosophical decision that we made earlier on to model it on the British North Sea Oil Legislation was the right one. Other lawyers would argue against the Attorney General that it was the wrong decision. But, I feel that it's the best model for us to follow. We're not the same as the North Sea but written into this legislation is a lot of things that pertain entirely to our part of the world and I would just congratulate the Attorney General again and urge my colleagues to pass this Minerals Bill. Thank you, Sir.

The Attorney General:

I wonder if I could mention a point of clarification - I think it may be fair. Members may be slightly confused. This is the first time that we've had a deemed first reading of the Bill by reason of a Bill having been published in the Gazette. That results from the change in Standing Orders: these Standing Orders apply for the first time today, and secondly to make the point that the second reading of the Bill is the reading in which points of principle and general policy are dealt with. That is the procedure throughout the Commonwealth including of course at Westminster, and it equally applies here. That is why I am not suggesting at this stage the moving of amendments; that is dealt with at the Third Reading stage. But the Honourable Wendy Teggart, I believe from remarks I've heard her make, has points of principle to make in relation to the Bill and in relation to policy; and this is the appropriate reading at which she should make those points of principle because they cannot, because they are points of principle rather than points of detail in relation to particular clauses, properly be made at the Third Reading. She will therefore wish to make them I feel during this reading of the Bill, and the same would apply to all other Honourable Members who have points of principle to make. There are points of detail which Members may wish to make at the Third Reading stage when we are in Committee.

Sir, it may also be helpful, while I'm not moving the amendment at this stage or suggesting the moving of amendment at this stage, as I can't move any amendment because I'm not a Member of this House, to indicate an amendment which will be moved at the Committee stage I believe, and that is to insert a definition of "Governor" in terms which will clarify what the expression "Governor" means in the Bill.

His Excellency the Governor:

Is it possible for you to give us a hint as to what this will say, because I think it will make Councillor Teggart's task a little easier.

The Attorney General:

Most certainly Sir. What it will say is:

"'Governor' - means the Governor or other Officer for the time being administering the Government of the Falkland Islands, acting after consultation with the Executive Council, except in any case where the Constitution authorises or requires him to act otherwise than after such consultation where it shall mean the Governor acting in his discretion."

Now that definition is in fact already implied in the Bill and all that I am suggesting is that it should be made explicit Sir. It's implied at the moment under clause 2 (8) of the Bill which says "subject to this Ordinance the Interpretation and General Clauses Ordinance 1977 applies in relation to this Ordinance and to expressions used in this Ordinance", and what I am doing in suggesting that Members may wish to have that amendment to the Bill that I have just mentioned is making explicit what is implicit by virtue of clause 2 (8) of the Bill. And so there is no doubt in anybody's mind what "Governor" in the Bill means.

The Honourable C W Teggart:

Yes, Your Excellency, Honourable Members. I would like to thank the Attorney General for his clarification and his help in my confusion, there. As he knows, and as other Honourable Members know, I have grave reservations about this Bill. I am slightly happier with the amendment being added to it. However, I cannot support it. Over the last months I've read and re read it and no doubt will continue to do so. I'm not a hot-shot lawyer. I wish I was. I would be earning a lot of money somewhere else, probably. But, I think that this is such an important issue this Council is never, no Council is ever going to have to face a piece of legislation that if it's wrong, could destroy the Falklands. I asked some months ago if we could have an independent assessment on the Bill. It would have made me happier to have had somebody who is employed by Government, if you like, but particularly by Councillors, who would look at the bill for us and who would point out its strengths and its weaknesses. And if that had happened then possibly I could have come here today and supported the Bill. However, a lot has happened over the last few months. I feel there has been too little public discussion on this Bill. Until a few weeks ago, there was very little information coming out of the Secretariat, or really anywhere about the Bill. I know that this isn't a feeling that isn't shared by my fellow Councillors. We have discussed it frequently, the rights and wrongs of it. I know that several other Councillors were unhappy that the definition of "Governor" - it was implied in the Bill but it didn't actually spell it out and my feeling was that if we passed this Bill in its present state, we would, to all intents and purposes be handing over control of any oil or gas supplies off our shores to the Government in the United Kingdom and whilst I've got nothing against the Government in the United Kingdom, they are 8,000 miles away, they do not live and work in the Falklands and don't have the feeling for the place and the environment as we do.

I have said that I feel that there has been too little information coming out about this until recently. I don't think there's been enough public discussion and I think it's far too important to be rushed through. I would rather have waited for another six months to enhance our view of the Bill. There's a lot of work to be done, we are told, before we can open the Licensing Round in April; and I think with that in mind, I think that we have time to do this. People have likened this to being an engine. I know Your Excellency in London referred to the oil as being like a train. The Attorney General the other day referred to this legislation as being the engine that will run the train. Being the driver of an old banger, I know just how a little bit of grit or water in the system can completely foul up the running of an engine. I would have liked to have been assured that there isn't a bit of grit or water in this legislation that could cost us very, very, dearly.

I know that when my fellow Councillors, Edwards and Stevens, were in the United Kingdom recently, the Minister, Tim Eggar, of the Conservative Party, said that there was no need to rush ahead with the legislation. It could wait for five years. If the British Government's Minister for Energy is quietly urging a "go slow" approach, then perhaps we should all listen to him.

I had a fax this morning from my predecessor on Council in 1987 who's been one of the people who's been very supportive to me in my objections to the Bill and I would actually like to thank him and other members of the public who got in touch with me and have been supportive. I think they also realise just how serious this is. He actually said in this fax that he was very concerned that my objection to the Bill will not do my political or another career much good but he thought my instinct was absolutely spot on. "It is my impression that there is absolutely no need to rush the Bill at this time, thus allowing for more and enhanced reflection."

Sir, I don't have too many great worries about my political or other career. I just like to sleep soundly in my bed at night. Tonight, I intend having a very good night's sleep, possibly the first for months, and I hope my fellow Councillors also have a good night's rest. Thank you.

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. In standing to make some comments on this Bill today, I would like to say that how proud I am to be here at this Table on such an occasion when we are discussing probably the best turn in our history for a long time. (Of this century, at least.) The early Settlers were very aware of the value of oil, they extracted it from seals, penguins and whales. Hydrocarbons are probably different in the fact that we have to extract them, usually from beneath the surface and not so easily obtained like that of our early settlers. As had been said already, Councillors have been looking at this Bill in great detail for some time and the Attorney General has said on many occasions, it will have, probably, warts and blemishes but it is the nuts and bolts of the machine that we want to set on the road. Councillors were uncomfortable with the fact that looking through this Bill, it comes up on many occasions, "the Governor, with the consent of the Secretary of State," and we asked that in the dictionary, the "Governor" be defined, somebody said, as in the Constitution, which means "The Governor as advised by Executive Council with the consent of the Secretary of State." Well, this would bring some comfort to Councillors but Section 62 of the Constitution actually dissolves this assurance to a certain degree and section 62(1) of the Constitution says, "in any case in which the Governor consults the Executive Council, he may act against that advice given to him by the Council if he thinks it right to do so." (2). "Where the Governor acts in pursuant of sub section 1 of this section against the advice of Executive Council, he shall, without delay, report the matter to the Secretary of State with the reasons for his actions."

So, although we look for that assurance that we have in this Bill, more reference to the Executive Council, does it really hold a lot of water? What we were afraid of doing in passing this Bill without some sort of reference, or more reference to the Executive Council is the fact that we were passing control to the other end, to F.C.O., to the UK Government and the assurance we have got goes a little towards that.

Now this Bill is the vehicle by which we are going to get the show on the road, albeit, a slippery one, as we would expect in oil. We must watch our footwork and beware of robbers who, through history, have always lurked on the sides of roads. Sir, I have great pleasure in supporting this Bill.

The Honourable C D Keenleyside:

Your Excellency, Honourable Members. In rising to also support this Bill, I well remember last October, shortly after being elected, being presented with the draft of the Bill and going through it very carefully and desperately trying to understand it. I can say that thanks to the efforts of the Attorney General, I feel much better informed today than I did then, and much better able to pass this legislation. However, I did hear the comments of my Member on the left, Mr Goss when he mentioned the deprivation of wildlife for animal oil, which had previously gone on in the Falklands.

When one thinks of oil - oil exploration, a number of words come to mind, like oil, beaches, tankers, wildlife, oil rigs. God forbid that they all should come together because we've seen the results of that in other parts of the world.

And that brings me to a point of clarification that I would like from the Attorney General. In the original draft Bill that we received, the section dealing with environmental damage was somewhat lengthier and more far reaching than that which exists in the Bill presented to us today and I would be pleased if you tell us why, in fact, the Bill is so sawn off in terms of environmental protection. Sir, I wish to support the Bill.

The Attorney General:

Sir, I may conveniently perhaps reply to that point at this stage.

The version of the Bill which Honourable Members saw, it wasn't a published version of the Bill of course, in October last contained I think seven more clauses than the Bill before the House does. There's no secret about what those clauses dealt with. They dealt with environmental concerns arising outside the territorial sea of the Falkland Islands but within the designated area of the Continental Shelf. They included provisions relating to the dumping of waste at sea and various activities at sea, as I say outside the territorial sea of the Falkland Islands where exploration and exploitation activities by oil companies might well take place. They were relevant provisions, there was no objection in principle to them by anybody; and that includes Her Majesty's Government in the United Kingdom and everybody else who was consulted. There was a technical legal reason why they could not appear in the Bill. They could not appear in the Bill at the stage the Bill was published in August because the FICZ Proclamation and the FOCZ Proclamations and the Continental Shelf Proclamations did not contain provisions enabling us to legislate purely for the protection of the environment outside the territorial sea of the Falkland Islands. I'm happy to say that the Proclamation which as Honourable Members know was published in August, remedies that lack. It is therefore intended, I believe I can say it is Government's intention, to enact suitable further legislation in relation to those environmental matters. They are likely, I would think, to be included in a Bill which will deal with a number of other environmental matters because environmental matters are very much in focus in the minds of the Administration, meaning the public service and I believe in Honourable Members' minds, and I would hope that that legislation would be

before the House next year and that it will be found acceptable and worthwhile to Honourable Members and will be enacted.

The Honourable J E Cheek:

Your Excellency, Honourable Members. Firstly, may I thank the Chief Executive for his excellent introduction. In fact, it was so wide ranging, going to the third and fourth generation, ahead, it leaves very little for us to comment on. But, I think probably it is worth repeating some of those things that we feel more important. Yes, it is an enabling Bill. There is not much of real substance there; that will follow. As it's been mentioned, the substance being the fiscal regime, what taxes we're going to charge and various other money matters, conservation, which I find of vital importance and I know many other Falkland Islanders do, regulations concerning safety, concerning who is allowed to work on the rigs, on the ships, on the aircraft, whatever and more intangible things, such as how many people are going to be here? Where are those people going to be living and staying? What impact will they have on the very small society that we are? All those things will follow on.

Now, there has been concern expressed about the use of the word, "Governor," which, through an amendment, will be fully explained. That has not worried me because it's all really covered in the Constitution itself. I was a little bit upset at the use of the word, "Secretary of State." It's a little bit like rubbing ones nose in it when it's already there. Although we have since had a further explanation that in the Constitution it mentions a Secretary of State as a British Government. This is specifically the Secretary of State at the Foreign Office mentioned in the first part of the Bill. So whether this is a fight between departments in the U.K. to see who controls it and what, I don't know. I'm not all that concerned. The regulations themselves will be made by the Governor in Council, taking the advice of Executive Council. They have to come before this House and I believe we have the right, if we wish, to stop them at that point. So, we do have a degree of control over the regulations.

The Chief Executive, when he started off, likened this Bill, to a certain extent, to the Fishing Regulations or Fishing Bill which was passed whenever it was, seven, eight years ago. When that was passed, there was no mention whatsoever of Falkland Islands private sector involvement. No one even thought of it and it was only when a number of us started fighting for our involvement in that that it came about. I would not like to see that happen with oil. I won't be involved because, as someone said, it's going to be 15 to 20 years before there is real involvement here. By that time, myself and some of my fellow elderly Councillors will be in their 70s and we'll be able to look from the sidelines and probably say, "I told you so." I hope that, as has been suggested, as much effort as possible is made to ensure that the private sector is involved. The private sector is not going to go out and drill holes. There is no way that any local firm can have the sort of capital that is required. I doubt if we'll even be able to join in the consortia who will do that, but I'm sure there are some pickings, if you like, on the edge of the business that will be worthwhile to be involved in. And I suppose what I'm really saying is, if there is oil out there and there is income, I would not like to see Falkland Islanders sitting back and living off the taxes. If they want to, and only if they want to be involved, I think every opportunity should be given to them to become involved in the business of oil where it's practically possible.

With that, Sir, I think I've said enough. I would like to support the Bill.

The Honourable R J Stevens:

Your Excellency, Honourable Members. I'm standing to support the Bill. If there's any criticism, and it's a criticism that's been mentioned by other Councillors, maybe the lack of the constant flow of oil related information to the general public. It's just not that easy in the

Falklands. If it was in the U.K. there would be three television channels - Sky, Independent, B.B.C. and they would be inviting in experts with a lifetime of experience all over the world, and these discussions would go on for weeks with a matter like this that was as important in the U.K. was to be aired. Unfortunately, there aren't any experts in the Islands and so oil experts aren't all that accessible to our media or to any of us as individuals.

I think, to a certain extent, our oil development is a guessing game, even after this legislation is passed. A lot of our forward thinking is speculation with political uncertainties of the Falklands area being a Frontier area and, as the Chief Executive has already told you, there's a glut of oil. On top of that low world oil prices and the many oil opportunities elsewhere in the world.

Hopefully, if all goes well, this is the beginning and hopefully it will lead to political and economic security for future generations of Falkland Islanders. However, one of the most important things for us now is to not lose sight of developing the things we have already got. In the future, we've talked about various years, 10, 15, 20, perhaps as long as 30 years, whatever. There may be delays in the oil development and there is always the possibility that there isn't any oil. And, we mustn't stand still during this time, whatever the end result. Sir, I support the Motion.

The Honourable Mrs S Halford:

Your Excellency, Honourable Members. In rising to speak to the Motion, I should perhaps say that from a very selfish point of view I would prefer not to go ahead with looking for oil, but from a more realistic angle I realise that we cannot continue to rely on fish and we must therefore look to other means for income in the long term.

The Chief Executive mentioned that this Bill could be looked at as a skeleton which might develop into an athletic body. I would hope not. It might run too quickly. What would be wrong with it developing into a tortoise? At least it got there in the end. I do think we should continue down the road and look for the oil. As it's been said, we don't know if it's there, but if we don't look, we'll never know.

A lot of people are concerned that it's going to change our way of life drastically but will it? If you look at what's been done in Shetland, and it's been argued that we shouldn't look to Shetland and what they've done, but why not? They seem to have taken good care of their environment. In fact, you don't even know the installation's there until you're upon it. Their way of life doesn't seem to have changed greatly. Perhaps it's been enhanced in many ways, but they still seem to live a very peaceful way of life and their landscape hasn't changed drastically.

But, I do think, whilst we move forward looking for oil then all the way along, we must do our utmost to preserve our way of life and I don't see why this should be that difficult. We've had Mount Pleasant. We've had a great influx of people there from time to time. That hasn't greatly changed our way of life and I don't see why oil should be any different. I do think the emphasis must be on our environment. Councillor Goss pointed out that our ancestors extracted oil from the wildlife in the past. If we come to extracting oil in the future from beneath the seabed, then let's hope that we don't also kill off wildlife from having done this.

Sir, I support the Bill.

His Excellency the Governor:

I think at this stage if I may I would just like to say a word about the role of the British Government in all this and particularly the role of the Secretary of State because he features as

Councillors have observed prominently in the Offshore Minerals Bill; and Councillors have commented and there has also been comment in the excellent radio discussion the other evening.

In the last resort the Secretary of State for Foreign and Commonwealth Affairs is responsible for the Government of the Falkland Islands, just as in the last resort the British Government is responsible for the financial liabilities of the Falkland Islands Government. I have to say that I have no qualms on this score. I know that our Government and our finances are run with care and with scrupulous honesty but the British Government are very aware that there have been occasions when they have had to pick up the cheques from certain colonial administrations who could not meet them: so this is a thought at the back of their mind. Going more political we have also to bear in mind that the House of Commons takes a very lively interest in these Islands. In the 1970's and the early 1980's I think Islanders had very good reason to be grateful for Parliament's interest but we cannot expect Parliament simply to switch off. MPs will want to be certain that the legislation that we are enacting gives the same protection to our environment as the best modern practice does in the North Sea and elsewhere. They will also wish to know that people working on our oil rigs are as well protected from the health and safety point of view as people working in the North Sea, and the Secretary of State is the only person who can stand up in Westminster and give those assurances. There is, too, the international angle where the British Government is responsible for our defence and for our foreign policy, and where if a crisis should develop over oil, we would expect the armed forces or the Crown to be ready to come to our assistance. So there again I think we have to accept that the British Government has a reasonable cause to be concerned and interested with what is going on. I personally don't imagine in practice there will be difficulties. I think everyone wants to see any Falklands oil which there may be develop to the greatest benefit to the inhabitants of the Islands and wishes to ensure that the environment is protected and that the industry is regulated in accordance with the best modern practice. I think it is important though that the Falkland Islands Government and HMG in London present a common front, not simply to our neighbours but also to those organisations who the Chief Executive referred to, who are almost as powerful and certainly a great deal richer, I mean the international oil companies.

That's all I wanted to say about the role of the Secretary of State; if I could just second Councillors by paying tribute to the work of the Attorney General. I think this is a magisterial document and I congratulate him on what I know were many long hours of work and consultation with people in London and elsewhere on the document, and I admire it. I think it is well drafted and well crafted. Thank you.

So if there is no objection, the Bill will be read a second time.

The Honourable the Chief Executive:

I would like to refer just to what one or two Honourable Members said. Councillor Edwards talked about speed and the erratic nature of the disclosure of information. I think there are all sorts of reasons for that and I think that although we have dedicated ourselves to openness and to revealing all information as it is available, it does come and go in discreet lumps. It's rather like, you know, you watch highlights of match of the day and the highlights might be worth watching and the rest is fairly dull. I think it's a bit like that and will be in the future. There will be times when quite important things are happening: we will be launching the round and we will be deciding on the licensing round, those sorts of events. There will be publicity and there will be high levels of public interest. At other times it will be more of a drip feed and I make no apology for that, but I certainly note what you say. Obviously everybody here, I'm sure, agrees with what you say about sovereignty. As to Councillor Teggart's comments which I greatly respect, I believe that this particular legislation by itself, if passed today, is quite incapable of destroying the Falklands. It is the decisions that will

be made down the line that may or may not have that effect but as it stands, I don't believe that what we do today can have that effect; and I do wish Councillor Teggart a very good nights sleep this evening in spite of that.

I was interested in Councillor Halfords comments about tortoises and I would agree that a tortoise is a good analogy. I actually used to have one when I was a child. It's name was Timmy. It was a very industrious little creature and it could go very quickly when it needed to. Surprisingly it extended it's legs and off it went at quite a pace, and yet it could go into it's shell and lay there for long periods doing nothing. I think that's quite a good analogy but it did need proper management and control. There were several times when it escaped into neighbour's gardens and we had to go and retrieve it, but nevertheless I like the analogy.

My final comment I think in summing up, Your Excellency, would be to plagiarise the title of the play that I believe is being performed for the first night tonight in this very room, I think? In another room? I think I would say, "Yes hydrocarbons please, we're Falkland Islanders".

His Excellency the Governor:

Does anyone else wish to speak? No, fine, then if there's no objection the Bill will be read a second time.

The Bill was then read a second time. In the Committee stage clauses 1, 2, 3, 4, 5 and 6 and schedules 1-4 were adopted as part of the Bill with the following amendments.

The Attorney General:

Your Excellency, I will invite any Member who wishes to do so to move the following amendments in Part 1 of the Bill:

In clause 2 (1), delete the definition of international law. It is unnecessary and misleading. In the same clause immediately after the definition of explore insert the following definition - "Governor" means the Governor or other Officer for the time being administering the Government of the Falkland Islands acting after consultation with the Executive Council except in any case where the Constitution authorises or requires him to act otherwise than after such consultation where it shall mean the Governor acting in his discretion.

Those are the only amendments I need to draw to Members attention as in my view necessary in relation to that Part of the Bill. And perhaps I might invite the Chief Executive to move those amendments.

The Honourable the Chief Executive:

I so move Your Excellency.

The Attorney General:

Your Excellency. In relation to part 6 of the Bill I would invite the Chief Executive to move that immediately before clause 64 a cross heading in italics be inserted which should read: "*Environmental Impact Statements and Environmental Impact Assessments.*" That is just explanatory material but otherwise the preceding cross heading, "Planning Permission", would be inappropriate in relation to the clauses which immediately follow the suggested new cross heading. In the same part of the Bill in clause 66, representations have been made that the periods provided in relation to environmental impact statements in clause 66 sub clause (2), and clause 66 sub clause (3), are too short. If Honourable Members are agreeable I would suggest that the Chief Executive might move the alteration of the period of "21" days in clause

66 sub clause (2) to "42" days and in clause 66 sub clause (3) the amendment of the period of "14" days referred to in that clause to "28" days. The effect of those amendments as Honourable Members will appreciate is to give a longer period of consultation on important environmental matters.

The Honourable the Chief Executive:

I am happy to move those Your Excellency.

Council resumed. The Bill was then read a third time and passed.

The Taxes Bill 1994

The Honourable the Financial Secretary:

Your Excellency. Under Standing Order 40 this Bill has been published in the Gazette. It is deemed to have been read a first time and I beg to move that the Bill be read a second time.

The Bill was read a second time.

The Honourable the Financial Secretary:

Sir, I believe that the previous Bill represented the playing of an ace card and this Bill is more represented by a knave or a jack as is commonly known.

This Bill is rather overshadowed by the previous Bill and the subject of tax does not lend itself to such an eloquent delivery with exciting and colourful charts and maps.

The purpose of the Bill is to restate and consolidate the law relating to income tax, with amendments, and to introduce corporation tax.

The Bill would replace the Income Tax Ordinance which was enacted in 1939 and which has been amended many times.

The Taxes Bill 1994 is the result of a reform study followed by a comprehensive review which started 4 years ago. The Bill was drafted by tax legislation specialist Miss Lesley Furlonger and was published in the Gazette on 26 May 1994 together with an explanatory memorandum prepared by our tax adviser in the UK, Mr Richard Holme. The Bill comprises 169 clauses in nine parts, contains four schedules and covers 116 pages. The explanatory memorandum consists of 34 pages and includes some examples of the effect of the provisions of the Bill. The nine pages of tables of destinations and derivatives at the end of the Bill provide a helpful cross reference. The Policy changes incorporated in the Bill have been the subject of several Executive Council papers, a discussion paper issued to members of the public, and an FIBS interview. I do not intend therefore to explain each clause but will highlight the areas where a major change in policy is incorporated.

I would just say that the more urgent amendments to the Income Tax Ordinance brought about by the tax reform exercise and effected by the enactment of the Income Tax (Amendment) Ordinance 1993 have been incorporated in the Bill.

Provision is made to introduce corporation tax under clauses 21 to 51 in the Bill. Previously companies have been subject to income tax, albeit at special rates, on a prior year basis. Under the provisions of the Bill companies will be subject to corporation tax at the same rates but on an accounting period basis. Provision is made for a pay and file requirement with a

transitional phase in order to ease the cash flow of companies. Provision is also made for the taxation of dividends to be refined by the introduction of advance corporation tax to be payable 30 days after the end of a month in which the dividend is paid. Information notes on these new provisions are being prepared.

Part III of the Bill is devoted to detailed provisions on pensions and life assurance. The lack of detail in the present Income Tax Ordinance has made the situation unclear for both taxpayers and tax officials. It is considered desirable for individuals to be encouraged to provide for their retirement and the Bill sets out the necessary provisions and generally increases the reliefs available.

It is appropriate to mention at this point that a policy decision made by Executive Council yesterday ensures that the concessionary tax treatment afforded to provident funds in the past is to continue. An amendment to the Bill will therefore be prepared for submission to a future meeting of Legislative Council to provide for a statutory concession with regard to existing provident funds.

Part V of the Bill is entitled Taxation of Businesses. Chapter 1 of that part contains the general provisions. Clause 89 requires that business expenses be wholly and exclusively incurred for the purpose of business with certain tax deductible expenses being specified.

Clause 93 deals with tax deductions in relation to management fees and proposes a change which would enable Falkland Island resident individuals and companies to receive management fees without the deduction of tax.

Clause 94 introduces a provision for the disallowance of excess benefits in kind. This section requires rules to be approved by Executive Council and then confirmed by Legislative Council. The rules have yet to be finalised, however the absence of rules does not prejudice the inclusion of this clause in the Bill. Indeed the existence of such a provision should discourage excessive benefits being contemplated. The rules however will be prepared as soon as possible.

Chapter III of part V of the Bill deals with "Loss Relief for Businesses". Clause 105 provides that loss relief will only be available to businesses run on a commercial basis with a view to the realisation of profits.

Clauses 106, 107 and 108 clarify the tax treatment of losses for businesses and companies.

Clauses 109 and 110 introduce anti-avoidance provisions and rules with regard to the carry forward of losses for companies. These are intended to prevent a market developing in tax loss companies.

Chapter IV introduces new group relief provisions and rules enabling the surrender of losses between companies in the same group. The provisions contained in this Bill provide that only Falkland Island resident companies will qualify to claim group relief.

Part VI of the Bill is entitled Tax Avoidance and thus this section contains provisions to discourage and prevent tax avoidance.

Clauses 145 to 149 of the Bill contain details of penalties applicable in cases of Fraud, incorrect returns of income, etc. Criminal penalties are set by reference to levels on the standard scale as detailed in the Criminal Justice Ordinance. Tax geared penalties are intended to offer a realistic deterrent.

The underlying policy of the tax avoidance and penalty provisions is to discourage and prevent rather than enforcement. It would be envisaged therefore that formal use of these provisions would be minimal.

Part IX of the Bill contains general and supplementary provisions and definitions.

Schedules 1 to 3 at the end of the Bill provide detailed provisions concerning tax appeals and tax recovery proceedings.

The Bill, in relation to forms, provides the Commissioner with the power to prescribe the form of returns, claims, statements and notices thus enabling forms to be altered and updated as necessary.

It is intended that explanatory booklets and guidance notes will be produced dealing with corporation tax, the taxation of businesses, pension schemes and the completion of personal tax declarations.

At this point I would reiterate that the underlying policy contained in the Bill and proposed amendments have been comprehensively examined by the Administration, the Tax Review Committee and Executive Council.

The Bill contains throughout provisions enabling the Commissioner to use his discretion in certain areas and circumstances. This approach avoids the need for lengthy and detailed rules and regulations which are to be found in the tax legislation of many other jurisdictions.

A list of 24 proposed amendments to the Bill have been circulated to Honourable Members. These include the increased levels of personal allowances and deductions agreed in principle at the budget session of this Council. At the Committee stage of the Bill I shall move that the clauses as amended be adopted as part of the Bill.

As I mentioned earlier, the Bill is the result of four years of hard and often thankless work on not the most popular of subjects. I would especially like to thank my colleagues Peter Biggs and Moira Eccles for their invaluable contribution. Without their input I would not be presenting this Bill today. Also our tax adviser in the United Kingdom, Mr Richard Holme, played a most important part in providing expert advice on the principles of taxation which assisted greatly when examining the many policy issues. We are indebted to tax legislation specialist, Miss Lesley Furlonger, who we were fortunate enough to employ on a consultancy basis to draft the Bill in the absence of proper drafting instructions. I would also like to thank the Attorney General for all his learned assistance and the other members of the Tax Review Committee who gave up their time and put a lot of effort into assisting with the review.

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. In rising to support, I must say with some reluctance, a Tax Bill, I wonder when the Bill was first tabled in 1939? Was it received with the excitement and anticipation of say the introduction in April 1986 of the Fisheries Bill or of today, The Offshore Minerals Bill; or perhaps there wasn't the House that assembled in those days to discuss it. It certainly wouldn't be on radio, it wouldn't have been microphoned. But word would have got around and it's been in existence for fifty five years so I would say 1939 was probably a bad year. I'll probably get some sort of resistance to that.

I was very pleased to note the Financial Secretary's confirmation that the existent provident funds would not bear the suggested tax burdens that had been the concern of quite a few of the public who are members of the only two provident funds in existence, but that will be of a relief to them. Sir, I support the Bill.

The Honourable J E Cheek:

Your Excellency, Honourable Members. Yes, I do disagree that 1939 was a bad year, in fact it was a good year. I only wished that I had survived with the so few amendments as this Bill. In commenting on the Bill firstly what we used to call company tax or the income tax that was suffered by companies, I am pleased to see the introduction of this. I consider this much fairer than the old system, particularly the pay and file system. I believe that companies in the past quite often would go several years before filing and an equal number of years before paying which was an unfair advantage on those who complied with the law and paid their taxes at the proper time. Now everyone has to pay their tax, indeed if they are due to pay tax and if they don't they are fined. I think the fine, if I remember rightly, progressively increases the longer they choose not to pay. So that is much fairer on all companies.

I welcome very much the new allowances. I still think it was the wrong year. It should have been the last year of this Council that they should have been introduced because I suspect the people out there who will benefit from this will have forgotten in three years time when it comes to elect new Councillors, particularly those of us who may choose to stand. But I would like to point out to the listening public that those who say the fishing money doesn't go to the people of the Islands. It does, we all know it does in many cases, but this is just one other case where we can say fishing money is ending up in everyones pocket. Those who are paying tax, single people, will receive something like £400 extra; married couples if they are both earning and paying tax will be receiving, or not paying, something like £800 per family and I think this is as it should be. I am pleased that we have the money from fishing to be able to do this. It would be even nicer for those who replace us in the future if the income to the Government is such that income tax is either abolished completely or the allowances are so high that practically no one pays. And I look forward to that date. Sir, I support the Bill.

The Honourable the Financial Secretary:

Sir. Just a couple of comments. 1939 was a bad year of course as it was the start of the Second World War so that was, I would say, an unnecessary evil, but the introduction of Income Tax, I think, was regarded as a necessary evil at that particular time. The introduction of the increase in personal allowances was obviously considered at the time of the budget and it is something that we consider we can afford and is like Councillor Cheek said, is a way of distributing some of the wealth; that's in relation to the tax payers. People other than tax payers are receiving benefits in other ways. Obviously we have to keep the whole thing under review and strike a happy balance.

The Bill was read a second time. In the Committee stages clauses 1-169 as amended were adopted as part of the Bill.

The Attorney General:

May I Sir, ask the Financial Secretary, and I've given him no notice of this at all because it is only something I've noticed this afternoon, in relation to clause 2(1) to insert a new definition, and that is that "magistrate, (with a small "m") means the Senior Magistrate." And the reason for that is that Miss Furlonger has not been warned by me that under the Administration of Justice Ordinance there used to be magistrates with a small "m", who have all been replaced by the Senior Magistrate. The way to cope with that situation, her reference in many cases throughout the Bill, to magistrate with a small "m" is to define magistrate with a small "m", as meaning the "Senior Magistrate." It's a technical amendment and I'm sorry not to have drawn it to his attention earlier.

The Honourable the Financial Secretary:

The first set of amendments deal with increasing the allowances in line with 1994/95 Budget.

AMENDMENT 1

Clause 15, page 8 in subsection (1) for "£3200" substitute "£5000".

Note on Amendment 1

This increases the personal allowance from £3200 to £5000 in line with the 1994 Budget.

AMENDMENT 2

Clause 15, page 8 in subsection (2) for "£1100" substitute "£1300".

Note on Amendment 2

This increases the dependent relative deduction from £1000 to £1300 in line with the 1994 Budget.

AMENDMENT 3

Clause 15, page 9, in subsection (3) for "£1100" substitute "£1300".

Note on Amendment 3

This increases the son or daughter deduction from £1100 to £1300 in line with the 1994 Budget (Dependent Relative).

AMENDMENT 4

Clause 16, page 9, in subsection (1) for "£2050" substitute "£2250".

Note on Amendment 4

This increases the married man's allowance in line with the 1994 Budget.

AMENDMENT 5

Clause 16, page 9, in subsection (2) for "£3200" substitute "£5000".

Note on Amendment 5

This increases the deduction for wife's earned income to a maximum of £5000 in line with the 1994 Budget.

AMENDMENT 6

Clause 18, page 10, in subsection (2) (a) and (b) for "£1100" substitute "£1300" in both places.

Note on Amendment 6

This increases the additional allowance available to single parents from £1100 to £1300 in line with the 1994 Budget.

AMENDMENT 7

Clause 122, page 76, "Transfer of Property to Evade Taxation" should be renumbered 123.

Clause 123, page 76, should be renumbered 124.

Clause 124, page 77, should be renumbered 125.

Clause 125, page 78, should be renumbered 126.

Note on Amendment 7

Renumbering of four incorrectly numbered clauses in Part VI.

AMENDMENT 8

Clause 60 (1) (b), page 35, for "direct" substitute "directs".

AMENDMENT 9

Clause 73 (4), page 42, for "they think" (in both lines 1 and 2) substitute "he thinks".

AMENDMENT 10

Clause 73 (5), page 42, for "their", "they" and "their" (in lines 2 and 3) substitute "his", "he" and "his".

AMENDMENT 11

Clause 73 (8) (b), page 43, for "them" substitute "him".

AMENDMENT 12

Clause 78 (1) (a), page 45, for "76" substitute "77".

Note on Amendments 8-12

Amendments 8 to 11 correct grammatical errors and amendment 12 puts right an incorrect clause reference.

AMENDMENT 13

Clause 60, page 35, insert after sub-clause (3) as sub-clause (4).

"A lump sum paid to a person (whether on retirement or otherwise) in pursuance of the scheme shall not be chargeable to income tax (if it otherwise would be)".

As a consequence, the existing clauses (4) to (7) are renumbered (5) to (8).

AMENDMENT 14

Clause 61, page 36, insert after sub-clause (2) as clause (3).

"A lump sum paid to a person (whether on retirement or otherwise) in pursuance of approved personal pension arrangements shall not be chargeable to income tax (if it otherwise would be)".

As a consequence, the existing clauses (3) to (6) are renumbered (4) to (7).

Notes on Amendments 12 to 14

These sub-clauses are added to confirm, for the avoidance of doubt, that lump sums payable pursuant to approved retirement benefits or personal pension schemes are not chargeable to income tax.

AMENDMENT 15

Clause 74, page 43, insert after sub-clause (4) a new sub-clause (5).

"The Commissioner shall not approve a scheme unless it makes provision for ensuring -

- (a) that the aggregate of contributions made by an employee and by his employer in a year of assessment does not exceed 50 per cent of the employee's relevant earnings in that year or such greater amount as the Commissioner may agree in writing with the employee for that year; and
- (b) that any excess is repaid to the employer."

This inserts an overall limit of 50% (or such higher amount that the Commissioner may allow) of relevant earnings for total contributions by employer and employee to an approved personal pension scheme.

AMENDMENT 16

Clause 52, pages 29-30, delete sub-clause (1) (h) (ii) and (3).

The policy on tax exemption for "defence industry" employees has been changed. The reference to this exemption in clause 52 are therefore deleted. The new exemption is now to be included in the Taxes and Duties (Special Exemptions) Ordinance 1987.

As a consequence, the existing sub-clauses (4) and (5) become (3) and (4) respectively.

AMENDMENT 17

Clause 162, page 100, insert a new sub-clause (3) as follows:

"(3) Any reference in this Ordinance to earned or unearned income does not include -

- a) any income in respect of which income tax is not payable by virtue of section 12, or
- b) any income which is exempt from income tax by virtue of section 52 or by virtue of any provision of the Taxes and Duties (Special Exemptions) Ordinance 1987, or

- c) any income which is exempt from income tax by virtue of any arrangements having effect under section 127."

Note on Amendment 17

This amendment is designed to tighten the definition of "earned and unearned income" so as to exclude tax exempt income. In the absence of such a provision, taxpayers would have been able to claim certain reliefs (eg earned income relief, relief for wife's earnings) by reference to income which was exempt.

Due to this insertion, the existing sub-clauses (3) to (9) are renumbered (4) to (10).

AMENDMENT 18

Clause 80, page 46, delete existing sub-clause (4) (a).

Notes on Amendment 18

Following the tightening of the definition of "earned income" in clause 162 (see amendment 17 above), this provision is no longer necessary.

AMENDMENT 19

Clause 58, page 34, in subsection (4) (a) line 3 for "assessments" substitute "assessment".

Note on Amendment 19

To correct grammatical error.

AMENDMENT 20

Clause 58, page 34, in subsection (2) (a) line 2 delete words "which is chargeable to tax".

Note on Amendment 20

Following the tightening of the definition of "earned income" in clause 162 (see amendment 17 above), this provision is no longer necessary.

AMENDMENT 21

Clause 58, page 34, in subsection (3) for "earnings" substitute "earned income".

Note on Amendment 21

The phrase "earnings" is replaced by the similar phrase "earned income" which is to be preferred as it is defined in The Taxes Bill (clause 162).

AMENDMENT 22

Clause 94, page 54, insert new sub-clause (2) as follows:

"(2) In subsection (1) above "remuneration", in relation to any accounting period of any business, means earned income of an employee which as respects his employment in that business in that period falls within section 80(2) and any amount which by reason of that employment -

- a) is for the year of assessment beginning in that accounting period chargeable to tax by virtue of rules made under section 7, or
- b) is otherwise treated as his income in that period for the purposes of income tax."

Note on Amendment 22

For the sake of clarity this defines the phrase "remuneration" which is referred to in clause 94(1).

The existing sub-clauses (2) to (5) are renumbered (3) to (6).

AMENDMENT 23

Clause 94, page 54, sub-clause (1)(a) is reworded as follows:

- "a) in any relevant accounting period an employer carrying on a business provides a benefit which is a prescribed benefit to or in respect of any employee of this employed in that business in that period."

Note on Amendment 23

This tightens the wording of this sub-clause to ensure the use of certain assets by an employee etc will be included.

AMENDMENT 24

Clause 141, page 89, sub-clause (12) line 2 for "(8)(b)(ii)" substitute "(8)(b).

Note on Amendment 24

This corrects an error in cross-reference.

That is all the Amendments Sir to Clauses 1 - 69.

His Excellency the Governor:

One minor further amendment. You have deleted amendment 80, sub-clause 4(a) and you haven't renumbered (b) and (c). Sorry to be so difficult.

The Honourable the Financial Secretary:

Yes that's right, so the (b) and (c) become sub-clauses (a) and (b). Thank you Sir.

Schedules 1-4 were adopted as part of the Bill with the following amendment.

The Attorney General:

Sir, in relation to Schedule 3, part 4 there's an indenture there where there's a slight typographical mistake. The letters "ls" have been dragged into the paragraph which relates to witnessing. So it reads - "signed, sealed and delivered by the said (Governor) (in ls the presence of)". The "ls" means the place of the seal and should be taken over to the right hand side of the page in the same line.

Council resumed. The Bill was then read a third time and passed.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive:

Your Excellency, I beg to move that this House stands adjourned sine die.

His Excellency the Governor:

Does any Honourable Member wish to speak to the Motion?

The Honourable Mrs C W Teggart:

Your Excellency, Honourable Members. I really have very little to say in the Motion for Adjournment today which is perhaps a little bit unusual, but I would just like to take this opportunity to welcome the new Chief Executive, Mr Andrew Gurr, and his wife Jean, to the Falklands. I'm sure that they will find their time here very interesting as I'm sure they've already done in the last few weeks. Having been rather thrown in at the deep end I think but I'm sure that as his introduction to the oil legislation today proved he's more than ready to meet anything that comes his way, and make an excellent job of it. In doing that we unfortunately also have to say farewell to Charles Keenleyside. It is, I believe, his last Legislative Council Meeting and I, along I'm sure with all other Members who will be speaking shortly, will wish to wish him, Noreen and their sons every success in New Zealand.

We have today passed the enabling legislation for the oil and being outnumbered by 6-1 I rather hope that, I'm sure they did, having got the information this morning that William Hill the bookies in the U.K. were accepting bookings on 5-3 in favour of the oil legislation going through I'm sure that they resisted the temptation as I did to make a quick killing by predicting a 6-1 majority. But having said that now the legislation has gone through I would like to assure my constituents that I will be doing everything I can to support it, and make sure that whatever comes up in the future is right and is going to keep things going along the right lines. But I certainly won't rubber stamp anything that I disagree with.

Sir, that is all that I really wanted to say and I'd like to support the Motion for Adjournment.

The Honourable Mrs N Edwards:

Sir, in rising to support the Motion for Adjournment may I too add my best wishes to Charles, Noreen and the boys in New Zealand. He'll be sadly missed on Council and also by the Camp community because I have a funny feeling that with the departure of Charles will come the demise of the shaky Camp phone system. I hope I'm wrong but I think we'll be wishing him back many a time in the future, but I hope that he enjoys a happy and long life in New Zealand and we hope that you'll come back and visit us sometimes Charles.

I'd like also to welcome the Chief Executive to his first LegCo. A bit of a deep water to begin with but hopefully it'll get better as time goes on.

Sir, as Wendy says we've passed the oil legislation now and that is the bare bones of the business; the flesh is yet to be put on it. I too would like to assure my constituents that I will be looking very carefully at all future legislation to do with oil, to do with the environment and hopefully we will get it as right as we possibly can. We're all fallible so I expect we will make some mistakes and things will have to be altered in due course as I said before, but I

hope that broadly speaking we can learn from other people's mistakes and get it as right as we possibly can.

I'd like to commend the oil working party for the supplement that they produced for the Penguin News this week, or last week and would like people to look very carefully at some of the opportunities that we think we have anyway. Some of our strengths, some of our weaknesses, the opportunities that are there and the threats; and one of them of course is the political manoeuvrings of Argentina which we have to be aware of and we have to be careful of: particularly so as Britain is heavily involved in business in Argentina and it would be precocious of us to even think of dictating to Britain. We wouldn't dream of doing so but we must be aware that that is the situation we are in and we have to be careful that we don't get pressure through British businesses to in some way do a deal with Argentina over our oil. I'm perfectly willing to share, if there is any wealth there, a portion of it with the British people and it would be right and proper to do so, but I am not prepared to share it with Argentina whilst they still uphold their sovereignty claim over us. I'm sorry that I keep harping on this but I think it is something that we shouldn't lose sight of with the euphoria of an oil round coming up.

Sir, I support the Motion for Adjournment.

The Honourable J E Cheek:

Your Excellency, Honourable Members. I was waiting for the third Member of the trio on my left to speak first, as we normally go from left to right.

I too would welcome the newcomers to the Table and I look forward to working with them in the future. I welcome the new Executive Council which I just alluded to. I suspect this is the first time in the British Commonwealth that the Executive has been totally female. In fact I wish this had happened some time ago because when I was at the CPA in Banff Canada, one of the things we were talking about was the greater involvement of the female gender in the parliamentary governments of the Commonwealth. In fact it was interesting to note that after the Seychelles the Falklands has the greatest percentage of elected Councillors or Parliamentarians, whatever you would like to call them, but I think this breaks all records and I look forward to working with the new Members of ExCo.

Just going back to the oil legislation and if someone stands and says that I'm not allowed to speak I'll stop. But just to make sure that there is no misunderstanding; as I understand it Councillors agreed that Argentine companies may have a minority involvement in any consortia that applies for licenses in the Falklands. I'm not saying that because I particularly want it to be so but I think we agreed that looking at the reality of the situation.

From that I would like to move on to other things, one of them that partly arises from the introduction of the oil legislation and that is conservation. We will be passing in the near future legislation which will be aimed at those people involved in the oil industry but can I say that I believe that we, within the Falklands, should look at our conservation. I find it difficult to impose good conservation principles on others when I personally think that we tend to ignore them. You are probably all aware that I was very keen that the Cape Pembroke peninsula after 10 years without any imported animals on it, should be retained as such and I'm saddened that going down there after 15 months since animals were introduced to it, it's reverted to the waste land it was 12 years ago. But although that may be lost to us I believe we must designate areas where the local fauna and flora can flourish without any damage from imported animals such as horse, cattle and sheep. I think we have a chance to do this with owning Landholdings. I'm no expert on this but may I suggest that the Bull Point area, not just the bit at the end, but from the fence just to the east of Fanny Cove house be designated such an area. I don't think its loss would make any difference to the earnings or losses of

Landholdings. Likewise nearer to home, there is Seal Point and possibly Port Harriet. That too I believe could be designated such an area without any loss to the income of Landholdings. There may be other areas that we could do a similar thing with. I would like to see somewhere closer to Stanley, to the biggest area of the population, where people can go to easily. This is why I was so keen that the area I mentioned earlier should remain to be free of imported animals, because for some people Bull Point and Port Harriet are just too far for them to go. I would commend to my fellow Councillors that we consider this seriously and designate such areas.

Just one last point. In January next year we are holding, I suppose you could call it, a mini regional CPA Conference, the region being the British Islands and Mediterranean as it's called, although I would like to see it renamed the British Islands, Mediterranean and South Atlantic Region. I look forward to this. We're going to be really on show to the Members of Parliament who come from those areas and I would just plead that all Councillors make every effort to spend the full period that week in here. There are only a few of us and no matter how busy our lives may be at the time I believe that it is vitally important that we be here, and not appear to ignore that conference.

And lastly Sir, I would like to pass on my good wishes to Charles. We worked together for a number of years. I inveigled him away from the Treasury Department quite a number of years ago to come and work for me as I would call it in Cable and Wireless and I used to enjoy his sense of humour and his puns are even worse, I think, than mine. I wish him well in his new life in New Zealand.

Sir, I support the Motion.

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment I would like to follow on from the previous speakers to welcome the new Members to this Council. Now I say Members because without my diary my memory support isn't so good but I do believe this could be your first meeting here: I would like to welcome the Commander British Forces to his first meeting of Legislative Council in these Chambers and he has been, of course, a Member of the Executive Committee ever since he took office. He contributes immensely to those meetings and I'm sure he'll be a great value to us here as well. So I would like to welcome you to the Falklands. I would also like to welcome the Chief Executive, Mr Andrew Gurr, to these Chambers and thank him for his very full introduction to getting the engine on the slippery track of oil, and I'd also like to welcome his wife Jean to the Falklands and hope they have a long and happy stay with us.

I'm very sorry that Charles Keenleyside has found new pastures but I thank him for his contributions to the Falkland Councils, now and in the late eighties, and I wish him, his wife and children a good future in their new pastures.

We've got the train on track for oil. I was assured yesterday that we can control the speed. When all the protective legislation is in place we can put up the flag to start it rolling. The Attorney General assured me yesterday that we can also apply the brakes and steady it up, so I do feel if that is the case, if we are building the controls into this engine and have that sort of control or command of our engine then I feel we will keep our hand on the brake and the throttle, and we'll alter them accordingly.

I don't quite follow Councillor Cheeks concerns about Cape Pembroke because all these wonderful little plants need some fertilisation, and the horses do provide that. I'm not so sure about all the dogs that go down there, because I've never really found much use for that stuff that sticks to your boots, but it will grow grass. I know that from where we have to clean out

dog kennels and dog cages, it has a lot of value in it; good green pastures result from it if you have it in enough quantity. He actually cast his eyes on some of the pastures that I look after; Bull Point from Fanny Cove down. The farm animals are causing very little pressure on the wildlife in those areas at all. In fact I think because we have farm animals there we have such fences that divide it into smaller areas; and those fences are boundaries that we can control the amount of animals we have on those pastures, and the amount of people that can go there to disturb them. If he's looking for a little flower garden of natural vegetation, they are very well protected by the minefield fences. We have a fair area in the Falklands of natural habitat where all these native plants can flourish and seed and their seeds will blow over the fence and elsewhere; and I'm sure you can still look at them over the fence without causing them any harm by tramping all over them or digging them out. So I don't think he should be really concerned about that. Sir, I support the Motion.

The Honourable Mrs S Halford:

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment, I hope that today will go down as an important mark in the history of the Falklands and in years to come it will be looked back upon with pleasure and not horror, even if that does mean having to chain up the tortoise from time to time.

I can see why Councillor Cheek wished me to speak before him. I must say that I have to disagree with him strongly. Whilst I do support conservation, there is conservation and getting carried away with conservation. It's been proved in many places in the world that animals that are eating the grass actually benefit the area rather than make it worse. And if, as you referred to them, as imported animals I sometimes think when it comes to preserving the environment the worst imported animal of all is the human. It causes the most destruction. As to the Cape Pembroke area the most destruction down there has not been caused by the animals but has most certainly been caused by the humans. The removal of the hardstandings is a good example of this and the mess that this has caused. Volunteer Point is perhaps an area that could be used as a good example of how farm stock, people and wildlife mix and get on well together. A large amount of people go down there each year. There are a lot of sheep there, there are horses there and there is also a lot of wildlife.

You also mentioned Port Harriet point which has wildlife and animals; dare I mention Kidney Island? I suspect the tussac on Kidney Island now is more dead than in the years when it used to be cut on an annual basis. I'm not suggesting it should be cut now, it's just a point I thought I should make.

I would also like to take this opportunity of welcoming the new Members to Council and wish Charles well when he goes off to New Zealand. I'm sure he'll be greatly missed. I find it rather sad that yet another Member of my class from school is departing. I just hope that in years to come our children that are at school now will see more of their class remaining in the Islands as hopefully with perhaps oil in sight there may be better prospects for them in the future. Sir, I support the Motion.

The Honourable R J Stevens:

Your Excellency, Honourable Members. In rising to support the Motion I'd also like to welcome the Commander British Forces and the Chief Executive. The Commander British Forces seems to have been with us for quite a while so it seems strange that this is his first LegCo. While I'm welcoming him, I'd also like to thank his wife, through him, for the work that she does for the Education Department with her skill of speech therapy. And the Chief Executive I would like to say to you that I came and put my name forward to be a Councillor because of problems that I see in Camp. Today's problems perhaps way down from the dizzy heights of oil and I won't bore you with a great catalogue of them today but some of the areas

that I think I will mention is the West Falklands and the opportunities that they must have to keep up with the rest of the Islands. Where farmers on the East, I would say most of the East wool clip is now carted overland which makes great savings, the West don't have that opportunity; and I think STABEX money should be used for deep water jetties on the West and perhaps a limited link jetty in Brenton Loch so there's an opportunity for a link however small.

My other concern which I have mentioned and probably bored a lot of people with is the number of young families in Camp. Mostly my concerns would be for Landholdings and people say to me "We can't encourage families back to these farms because of the pay" but of course I would say that perhaps you could pay a little more if Landholdings were able to equal the stocking and wool rates of the private sector farms. I know this is a contentious issue but there must be a way of keeping Falkland Islanders in Camp and not opening our doors for people to come in from overseas. There are still people, when I bring these things up in Council, that phone me up and say "Yes, I'd like to go to Camp if the pay was better, or yes I'd like to go to Camp if I could buy myself a farm just like you have". My way might not be the right way but I'm sure there is a way of regenerating Camp and I hope that you as Vice-Chairman of Landholdings Board will take every opportunity to go out into Camp and visit the people everywhere. You are welcome to come to Port Sussex on every or any occasion. Not just Landholdings, there are problems with the less productive farms in Camp, the farms that find it very hard to produce enough lambs and hopefully when we discuss all these matters in next year, March I think it is, there will be not just my suggestions but other ways of getting Camp secure, making it a good place to be in readiness for oil if it comes.

Lastly, I wish Charles and his family the very best. I've looked to Charles for his honesty and integrity probably like most of his constituents did when they voted for him, and I wish him and his family the very best of luck. He'll not only be a loss for Cable and Wireless and the Council but he'll be a great loss to the Falkland Islands. Sir, I support the Motion.

The Honourable C D Keenleyside:

In rising to support the Motion for Adjournment I too wish to welcome the Chief Executive. I believe that he and his wife Jean will make a valued contribution to the Falkland Islands. Certainly in the brief meetings that we've had so far he's made his mark and I believe that he will be good for the Falklands. I also wish to welcome the Commander British Forces, the first formal welcome I've been able to give. I'm also very aware of the fact that I'm addressing this House for the last time. I therefore wish to thank all the voters who supported me, also all the Members of this House for their kind words and encouragement. I wish also to thank the Attorney General for his support and help whenever approached. The Financial Secretary, the Chief Executive and many other members of the Falklands Government have given me all the information and help whenever it was requested. One point for Derek, I know he likes his little points to respond to when he's summing up, and that's on the Taxes Bill. It would be useful if the new tables in respect of computation of PAYE deductions by employers could be produced at an early date. One complaint I hear is that PAYE continues to be deducted at the wrong rate because up to date tables are not available.

On the Offshore Minerals Bill as it was passed today I was particularly proud to be part of this historic occasion. This was of course an enabling legislation. It should enable prosperity, financial independence and security but most of all, a future. It would also enable a lot of work for the Attorney General, the Treasury and many other Government departments both present and yet to be formed. In future to be dealt with are such thorny problems as taxation, environmental protection and population increase. What about control? We can draw a high level of comfort from the fact that we have a respected and well-run fisheries regime. Let us hope the same will be said of our oil industry in years to come.

Sir, I beg to support the Motion.

The Commander British Forces:

Your Excellency, Honourable Members. I feel very privileged to make this my first speech in support of a Motion for Adjournment as an honorary Member of the Falkland Islands Legislative Council. It is a particular privilege that my first meeting is such an historic occasion. Only a few months ago I could not even have dreamed that I would be present when Falkland Island Councillors enacted legislation which will allow developments in and around these Islands having a fundamental impact on the life of Islanders for years and years to come. Involvement by the Falkland Islands Government in the successful exploitation of offshore oil will undoubtedly ensure the future prosperity of these Islands and it is my fervent hope that, eventually, your expectations are realised in full.

In the meantime Jill and I are thoroughly enjoying our time here. Command of such extensive and capable forces at a high state of readiness, found from all three Services, within a wholly supportive civilian community and benefiting from a uniquely benign training environment, is given to very few and I feel very lucky to be here. Likewise Jill feels privileged to be able to work within the medical and educational departments in Stanley and is thoroughly enjoying her contact with islanders on a day-to-day basis. We have both travelled extensively around the Islands and have been consistently overwhelmed by the warmth of the welcome we have received from folk in the settlements. And it is obvious from the reports I get, especially from the RIC patrols, that this welcome extends to all who serve here. Like me you may not be able to understand a word the Irish Rangers say but my goodness you have looked after them well and for that I am very grateful.

Now turning briefly to matters of co-operation between the military and civilian communities here I am most grateful to the Falkland Islands Government for their kind and generous offer to fund the construction of two married quarters at MPA, just across from the back of my garden as it happens. I'm very pleased to announce that planning for these houses proceeds apace and they should be ready for occupation in May next year. We continue to expand our trade with local suppliers, in particular Stanley Growers, and we are always anxious to make the best possible uses of local resources when it comes to trade and employment. In the latter respect however, I would welcome wholeheartedly more participation by Island folk in the civilian job opportunities available at MPA and elsewhere within British Forces; the further integration of our communities can only be of mutual benefit.

We have recently reached a very satisfactory agreement on participation by Stanley personnel in security and handling activities within the MPA air terminal during civilian aircraft arrivals and departures and I look forward to progress in the development of civilian terminal facilities as tourism, commercial flights from Montevideo and elsewhere, and offshore exploration and development activity increases inexorably the pressure on our limited Service resources. Finally I'm happy to report that our Royal Engineers are moving ahead on a number of construction projects, including the Stanley Youth Club, which we hope will be of lasting benefit to the community.

From almost constant exposure of the issue in the UK National Press over the past few months you will all know just how much pressure the Ministry of Defence has been under to reduce costs, particularly in support areas. In June the British Government announced cuts in Defence expenditure amounting to three quarters of a million pounds over the next three financial years and involving at least 8,000 redundancies amongst Service personnel over the next two. However, despite much pain elsewhere, happily I can report that the Government has maintained its commitment to the defences here and these cuts have had no significant effect on our force levels or readiness posture although we remain under continual pressure to achieve efficiency targets. I believe this clear commitment to the defence of the Islands in the

light of significant reductions elsewhere sends a very powerful message to any potential aggressor that it would be foolish to ignore. Equally though, I believe that this military commitment provides the stable security umbrella which companies contemplating oil exploration around the islands will find particularly attractive when weighed against the pros and cons of this and other putative sites for offshore development. If you look around the world it is easy to spot those countries, for example in Africa, the Far East and Eastern Europe, which, because they lack political and military stability, would deter even the most determined company from exploiting. I believe the secure defence environment here is an important positive factor which will do much to offset the negative effects of the Argentine position and the possibility of their disruptive activity, and it should not be undervalued.

I look forward with much anticipation to a further eight months or so with you here in the Falklands, in particular because I can feel the buzz of adventure in the air as you start the long road to a bright future. While I'm here it is good to be caught up in that adventure and I feel privileged to be here during such an exciting time. Your Excellency I should like to support the Motion for Adjournment.

The Honourable the Financial Secretary:

Your Excellency. I'd like to join elected Members in welcoming the Chief Executive to his first meeting, and also to the Commander British Forces to his first meeting of Legislative Council, and in saying farewell to Councillor Keenleyside in what is most likely to be his final meeting of Legislative Council.

We have just learned from Councillor Cheek that he can be regarded as being partly responsible for your having me as your Financial Secretary. How can that be one might ask? When John coaxed Charles to move from the Treasury to Cable and Wireless I moved into the vacated position of Cashier. In response to your point Charles, now that the new tax allowances have been formally agreed we shall have the payment on account of tax tables, commonly known as the P.A.Y.E. tables, amended as soon as possible. Sir, I support the Motion of Adjournment.

The Honourable the Chief Executive:

Your Excellency, Honourable Members. In summing up this adjournment debate, I don't intend to comment at all on imported animals. I'm a little bit puzzled, I thought at first it was something to do with 1939 as to why John was responsible in any way for the Financial Secretary being where he is, but clearly it wasn't anything to do with that year. I'm also puzzled why the Attorney General has got "Carlsberg" on his glass and no one else has! But, seriously, I would like to reassure Councillor Stevens that certainly my initial reaction to Camp and everything it stands for, is extremely positive. It's a wonderful experience to go out to Camp - and I've only really done it once since I've been here - but both Jean and I did it when we were down in May and we look forward to, I hope, many happy visits out there. I'm still astonished at how welcoming people are on these Islands and I hope that in my role in Landholdings that that too will be a very positive role as far as these things are concerned.

That leads me on to Conservation and the plea from Councillor Cheek. I think that there is scope for reserves, even for what we might call National Parks. It's a grand name but it does seem to me that there is room for preserving nature as well as ensuring that human beings have recreational facilities that are of a significant quality. We have the resource here and I think it will be foolish not to dedicate some of our resources to those activities and that preservation. So I can assure you we will be taking all that seriously.

I would also like really to thank you all very sincerely for your welcome. The analogy of jumping in at the deep end I think is not all that appropriate even though it's been used. It's

more like sort of jack knifing off the high board particularly as you bear in mind that I can't swim, but your welcome has been really quite exceptional. A Member of another House about 8,000 miles away once accused these Islanders of having certain characteristics and I can say I think from more experience than he must have had, more direct experience, that you are probably the least curmudgeonly and the least ungenerous people in the entire world and I thank you very much for that.

I've always felt that it's a terrific thing to be able to enjoy your work and I can honestly say that the people in the Administration have been a delight to work with in these first two months and I thank them too for their welcome. And finally as others I would turn to Charles. After one meeting together Charles I would wish you well as everybody else does. I know how you feel having had to sever links and leave friends and leave people that I had worked with for some time and enjoyed working with. It is in a way a bitter sweet feeling to be going somewhere you think you ought to go and yet to be leaving people you hate to leave and all I can say to you is, Charles, if you and Noreen are as happy and accepted as we feel here when you get to New Zealand, then I'm sure that will be a very happy time for you and a very successful one and I do wish you that experience. With having said that, Your Excellency, I move that we adjourn.

His Excellency the Governor:

If I may just conclude by commenting on the debate. I think we had a very interesting exchange between Councillors Cheek and Goss about conservation and this debate has really got to continue and to some extent be resolved before we can actually introduce conservation legislation; and Conservation Legislation as we all know is one of the next stepping stones on the oil path. So there is a real difference of opinion in the Islands on this question and I think it is one that we will have to look at and will have to resolve.

May I just conclude by welcoming the Commander. As Councillor Stevens said, he's been here so long it's hard to realise that this is his first Legislative Council. But it is and it's very good to see him and I welcome him and Jill to the islands. May I also welcome formally to Legislative Council the Chief Executive. I think he gave us a speech of great gusto and great sweep, a range of ideas and an excellent introduction to this critical and very important Bill, so we welcome Andrew and Jean to the Islands.

Finally, can I say that I share everyone's sadness at the departure of Charles and Noreen Keenleyside. I think the Keenleysides are great contributors to life in these islands. Charles has enjoyed enormous respect from his constituents and from his colleagues and from the Administration and we certainly regret them going and we wish them all the very best in New Zealand.

And with that I say that the House stands adjourned accordingly.

Confirmed this 25th day of November 1994

[Signature]
Governor.

RECORD OF THE MEETING OF THE
LEGISLATIVE COUNCIL
HELD IN STANLEY ON
25 NOVEMBER 1994

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RECORD OF THE MEETING OF THE LEGISLATIVE COUNCIL

HELD 25 NOVEMBER 1994

Prayers were said by Canon Stephen Palmer.

His Excellency the Governor:

Now we have a fairly full programme this afternoon and I'm afraid I've agreed with the Clerk that we would not break for tea in order to try and finish in time for 5.30 when I think Councillors will be meeting Members of Parliament; so can we begin with confirmation of the Records?

CONFIRMATION OF THE RECORDS

The Record of the Meeting held 25-27 October 1994 was confirmed without amendment.

QUESTIONS FOR ORAL ANSWER

Question Number 10/94 by the Honourable R.J. Stevens:

Can the Chief Executive confirm that the General Manager of Falkland Landholdings has just had a pay rise which was back dated a year? Does this signify a farm profit? If so can the Chief Executive assure people working on Falkland Landholdings farms that they will receive pay rises at the same percentage?

The Honourable the Chief Executive:

Your Excellency, Honourable Members. This in fact is three questions rolled into one and if I may I will answer them in order.

The first question concerning whether the General Manager of Falklands Landholdings has just had a pay rise which was backdated a year. This is not quite true.

The General Manager of Falklands Landholdings has had a rise which was approved by the Board of that Company in August of this year. That rise related to his current two year contract which began in May 1993 and runs until May 1995. That two year contract was in fact an extension of his first contract which ran for the two years prior to that. When he entered the second two year term he was only being paid the same as he was in the first two year term. At that time the Board agreed with him that they would review his remuneration "at some time in the future", and so what was done in August of this year was reviewing as they had promised to do. Thus the General Manager of Falklands Landholdings had no increase from May 1991 until this award which runs until May 1995.

The second question regarding whether this reflects profit or not. The Honourable Member will be well aware that it doesn't in fact signify a farm profit. In spite of the lack of overall profit in Falklands Landholdings the Company has continued to pay all its employees at the rates that are agreed annually between the Sheep Owners Association and the Union. Personally, I am all for rewarding excellence and achievement; that excellence and achievement may not always be reflected in profit. There are times when they may also be shown by significant achievement during a period of market depression change and improvement and that has been the case here.

The answer to the third question which related to assurances to people working on the farms. I cannot in fact assure people working on Falklands Landholdings farms that they will receive pay rises of the same percentage, for the simple reason that I can assure them that they have already received pay rises of a greater percentage than that received by the General Manager, over the same period of time and the Managers of Falklands Landholdings farms have in fact received rises in their remuneration package of a considerably greater percentage than the General Manager.

The Honourable R.J. Stevens:

I would like to thank the Chief Executive for that answer, I'm sure people on the farms will be delighted.

Question Number 11/94 by the Honourable R.J. Stevens:

Can the Chief Executive reassure people living in Camp, especially isolated areas that the Royal Falkland Islands Police have a fail safe system of checking their monitoring procedures and equipment performance on a regular basis?

The Honourable the Chief Executive:

Your Excellency, Honourable Members. I regret that as far as the question relates to the 2 metre radios which monitor the repeaters in Camp I cannot give the Honourable Member the assurance he requires.

Radios used for Police business are subject to a routine maintenance programme, but that which monitors the repeaters in Camp is not: although it is repaired at public expense.

As background information the watch-keeping service undertaken by the Police was instigated in 1989 when the old HF watch-keeping service was withdrawn with the closure of the Post Office telephone exchange and because the C+W service to the Camp was not fully operational. The Police were never formally tasked to provide this service but actually volunteered to do so until the telephone system was fully installed and operational. It was certainly not intended to be a permanent feature.

In April this year, however, Executive Council agreed that the frequencies monitored by the Police should be published regularly in the interests of providing a much wider safety net to cover emergency situations (other than a fault in the telephone system).

Since the adoption of the emergency service frequencies there has never been specific budget provision for the maintenance and repair of the radio tasked to monitor the frequencies mentioned above. The increase in priority given in April by Executive Council to provide additional emergency cover has stretched existing resources beyond capacity. If the Honourable Member believes the matter should be looked into further, I am very happy to do so.

The Honourable R.J. Stevens:

I would like to thank again the Chief Executive for that answer and I believe that it should be looked into most thoroughly because for a lot of people, in some of the isolated areas, this is their only safeguard to help them in times of accidents/injuries or emergency. This is the only way that they can, wherever they are in Camp, they don't have to be near a phone, they can get help of some kind and keep in touch so that people don't get anxious when it's not necessary.

Question Number 12/94 by the Honourable R.J. Stevens:

The VHF phone system has been recognised as inferior. A proposal to remedy this has been made by Cable and Wireless, Stanley. Can the Chief Executive give Cable and Wireless a deadline for Cable and Wireless to produce a plan with work scheduling?

The Honourable the Chief Executive:

Your Excellency, Honourable Members. "Inferior" is a relative word. I believe that the VHF system is inferior to the Microwave system without any doubt but I am told that it is not inferior to what existed before that, so we are talking here about relative inferiority. But what we do want is that all of Camp has a system that is equal to that enjoyed in terms of standard by the residents of Stanley, and it is true that a plan does exist to achieve this. The plan itself is I know very expensive and it is at the moment a matter of negotiation between the Government and Cable and Wireless, and I believe that if I were to insist upon a deadline at this stage it would have a damaging influence upon those negotiations.

The Honourable R.J. Stevens:

I would like to thank the Chief Executive for his answer. I don't really know how to reply because people in Camp with VHF systems have had an awful system since 1989, that's five years and people in this House have asked question after question and criticised time and time again and to the majority of people it seems as though nothing is being done. Thank you.

The Honourable Mrs N Edwards:

Can I ask the Chief Executive, is it not true that there is a clause in the contract that Cable and Wireless agreed to provide a comparable system for the Camp to Stanley. I would feel that from 1989, we are now in 1994, a long period of time has elapsed and isn't it time that we asked for that clause in the contract to be honoured and hurried up?

The Honourable the Chief Executive:

Your Excellency, Honourable Members. I'm not sure whether there is a clause in fact in the specific contract to that effect, there certainly is comment upon it in the broader licensing agreement with Cable and Wireless. My learned friend might elucidate on that point, but the fact of the matter is here that the contract itself is very tightly drawn, it was very specific. The agreement on the hardware that was used was actually in the contract and was agreed to by our consultants at the time and that is what has been provided. Cable and Wireless are well aware of the inferior nature of the system over and above Microwave and they are very keen to actually make sure that the whole system becomes Microwave. Technology has improved rapidly in the intervening period between the signing of the contract and the present day. Our aim in Government is to ensure that that happens with minimal cost to ourselves as rapidly as possible. The negotiations as you would appreciate are somewhat delicate but I understand from the Manager of Cable and Wireless here, who has recently returned from sick leave, as you know, that he has had discussions on this matter while he has been in the UK and that he is as keen as we are I'm sure to see this matter resolved.

The Honourable Mrs N Edwards:

Thank you for your reply and I hope that the next time this House meets we can say that the phones are all on line in the Camp for a change.

The Honourable W.R. Luxton:

Your Excellency. Could the Chief Executive in his dealings with Cable and Wireless take into account the fact that overseas calls from the Falklands to for instance to the United Kingdom, are very much more expensive than in the other direction, (even with the 17.5% VAT on phone calls from the UK.) They must therefore be making enormous profits and although I expect poor old Falkland Islands Government will finish up paying for it perhaps the huge profits that they must be making can be taken into account.

The Honourable the Chief Executive:

Your Excellency, Honourable Members. I very much welcome that comment because I too believe that the charges from here to the UK are more than they should be and I have already expressed that view to Cable and Wireless. I know that the Commander of the British Forces whose people at MPA spend a great deal of money on phone calls to the UK agrees with that view as well. We are in a delicate situation where Cable and Wireless have, as we all know, exclusivity in supplying these services here and that exclusivity carries with it certain obligations and responsibilities. One of those responsibilities has got to be not to make excess profit and in actually monitoring that we have to have access to information and we have to negotiate from our position of strength which is in fact as the holders of the right, if you like, of that exclusivity and therefore I can assure the Honourable Member that that will be the negotiations are carried out; and I hope that that has been said in this House today in fact gives more weight to those negotiations.

Question Number 13/94 by the Honourable Mrs S Halford:

At a previous meeting of this House the then Chief Executive assured me that the new General Orders for the Civil Service would be in place by March of this year. They were not. Could the Chief Executive please explain what the delay has been and when the General Orders are now expected to be in place?

The Honourable the Chief Executive:

Your Excellency, Honourable Members. I believe the assurance in fact was for June of this year and not March and if I can read my predecessor's words of November 1993, he said: "I think it most unlikely that we will not hit the target date that the Honourable lady has proposed for June next year". Now it doesn't give me a great deal of pleasure to ceremonially eat my predecessor's words but that is in fact what we have to do. If I were to explain the delay to you in great detail I think you would find it very boring. It in fact contains all sorts of elements. One of them is the iterative process with the Civil Servants Association Committee, the consultative process which has been going on and on and backwards and forwards, and is still going on at this very time. There has also been the process of receiving detailed comments from the Heads of Departments. There has been the unforgivable matter of holidays and when people are needed to make comments they are never available, and I must confess that there have been longish time-spans in the response from individuals to requests. Those of you who have even seen this document will realise that it is a very large document and it does take a long time to digest; but now in homage in a sense to my predecessor and you must watch my lips as I say this, I will give you a hostage to fortune, the General Orders will be published on 3 January 1995.

The Honourable Mrs S Halford:

I would like to thank the Chief Executive for that reply and I am pleased to hear that they will be put in place at that time, perhaps then you will be able to follow them with departmental staff manuals which I am sure they could do with.

Question Number 14/94 by the Honourable Mrs S Halford:

Can the Chief Executive confirm my understanding that Government has agreed to examine on a proper basis the establishment of professional salaries and loadings? Does he not agree with me that the present situation where nobody is certain which posts can be regarded as professional posts, may lead to chaos in that everybody may be asking for treatment as a professional and there are no clear principles on which professional salaries are set?

The Honourable the Chief Executive:

Your Excellency, Honourable Members. I believe that the Honourable lady here has in fact not only hit the nail right on the head but that the nail is in fact embedded in an ice berg, 9/10 of which is below the surface. I cannot confirm whether the record of such an understanding you refer to exists or not. I cannot find it at this point in time, however I do agree that the present situation may lead to chaos, in fact I would go further than that and say it almost certainly will lead to chaos if it is allowed to continue. I believe that there are considerable unfairnesses at the moment in the way that members of the Civil Service are remunerated. It isn't just a question of professional/non-professional. It is also a question of established P&P as against unestablished and there are other quite broad inequities. I also believe that we must have a long hard look at this. Our aim is fairness, our aim is value for money for the taxpayer and we must make sure that all these criteria are followed. It also affects the private sector because whatever we do in a society like this in the public sector as far as remuneration is concerned has a knock-on effect there and I wouldn't wish to set in motion anything which would have a deleterious impact upon the private sector. Therefore I would give you an undertaking that we will have a long hard look at this. And in the near future, and I wouldn't care to say how near but as near as we can, we will present a paper to ExCo dealing with these matters.

The Honourable Mrs S Halford:

I thank the Chief Executive for his reply and I look forward to the report to ExCo in due course.

ORDERS OF THE DAY BILLS

The Immigration (Amendment) Bill 1994

This Bill is presented under a Certificate of Urgency.

The Honourable the Chief Executive:

Your Excellency, I beg to move the first reading of this Bill.

The Bill was read a first time. On the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable the Chief Executive:

Your Excellency, I just wish to propose this Bill very briefly indeed. It is as I see it a fairly straightforward matter. There are four new sections proposed here to the Immigration Ordinance 1987. It proposes two new kinds of permits; a permanent residence permit and a business visitor's permit which can also be viewed as a visitor's permit extended up to one year. It in fact doesn't change any existing rules regarding these issues or indeed any powers and I beg to move, Your Excellency.

The Bill was read a second time. In the Committee stage clauses 1-6 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Pool Betting Bill 1994

This Bill is presented under a Certificate of Urgency.

The Honourable the Chief Executive:

Your Excellency, I beg to move the first reading of the Bill.

The Bill was read a first time. On the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Attorney General:

Your Excellency. It may assist if I explain the objects of this Bill which look a little technical. I can explain them very simply. The Bill is being introduced today to enable a pool betting competition lawfully to be conducted. I don't think there is any secret about it that the Stanley Football League want to organise a pool betting competition, local football pools in other words, so as to raise funds for sporting purposes. That can't be done under the existing law because it would be unlawful. It can't be done by permit under the Lotteries Ordinance and therefore to enable it lawfully to be done I have drafted the Pool Betting Bill. It looks technical but the purposes are simply that if passed it will enable the pool betting competition to take place. It's been based as far as possible on provisions already contained in the Lotteries Ordinance and makes similar provision as to the payment of a 10% levy unless exempted and as to the payment of fees and the control, as with Lotteries, with the Financial Secretary.

The Bill was read a second time. In the Committee stage clauses 1-5 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

Clerk:

The remainder of the Bills have already been published in the Gazette and therefore do not require a first reading.

The Family Allowances Amendment Bill 1994

The Honourable the Financial Secretary:

Your Excellency. This Bill provides for the increases of 6% in family allowances, which were approved in principle by Executive Council on 28 April 1994 and supported at the Budget Session of this House. The revised allowances with effect from 1 January 1995 will be:

Child allowance will be £43.50 per month, an increase of £2.50.
Single parent allowance of £36.00 per month, an increase of £2.00.

Tax payers will be pleased to learn that Executive Council confirmed yesterday that family allowances should continue to be exempt from income tax.

I beg to move the second reading of the Bill.

The Bill was read a second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Media Trust (Amendment) Bill 1994

The Honourable the Chief Executive:

Your Excellency, I beg to move the second reading of this Bill.

The Attorney General:

Your Excellency, Honourable Members. This Bill is a very short Bill; the purposes of which are simply to increase the authorities as to signing of cheques by the Editor and Members of the Media Trust, so as to enable the one Trustee and the Editor to sign cheques up to £200, or for £200 or less, and one Trustee to sign cheques for up to £1,000; otherwise those cheques would require two signatures which sometimes means a delay or awkwardness particularly when people are away from Stanley or out of the country: and there are no other purposes of the Bill than that. The Bill has been drafted at the request of the Media Trust and the Financial Secretary on behalf of Government is content with it.

The Bill was read a second time. In the Committee stage 1-3 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Dogs (Amendment) Bill 1994:

Clerk of Councils

I believe the Honourable Chief Executive wishes to seek permission of this House for this Bill not to be taken today.

The Honourable the Chief Executive:

Your Excellency, I seek that permission.

His Excellency the Governor:

Do you wish to explain why?

The Honourable the Chief Executive:

No, Your Excellency. I think everybody here knows why but I'm happy to do so if it's required.

His Excellency the Governor:

Do Honourable Members want a brief explanation?

The Attorney General:

Your Excellency. I'm quite happy to explain why. The Bill is not being considered by the House today at my request. I wish to consider with those sponsoring the Bill whether certain amendments may not need to be made in it, and to have the opportunity of considering that with the Agricultural Advisory Committee and with Honourable Members. And to enable that to be done it is convenient that the Bill should not be taken before the House today.

His Excellency the Governor:

Thank you very much.

The Evidence Bill 1994

The Honourable the Chief Executive:

Your Excellency, I beg to move the second reading of this Bill.

The Attorney General:

Your Excellency, Honourable Members. This is a technical legal Bill. The real purpose of it is to clarify the law and it is certainly not to change it. It takes into a clear form into Falkland Islands law in accordance with the advice of Dr Alan Milner of Trinity College, Oxford, who is the Commissioner for Revision of the Laws of the Falkland Islands, the statutory law of the Falkland Islands in relation to evidence in civil proceedings. The advantage of the Bill is that it will make clear in one Falkland Islands Ordinance what statutory provision exists and there will not be a need to follow a Byzantine path through English statutes starting in about 1850 to arrive at the position which the Bill sets forth. And on that basis I commend the Bill to Honourable Members.

The Bill was read a second time. In the Committee stage clauses 1-5 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Old Age Pensions (Credit of Contributions) Bill 1994

The Honourable the Financial Secretary:

Your Excellency. In 1986 the Legislative Council enacted the Old Age Pensions (Amendment) No 2 Ordinance 1986 which was expressed to come into force on 1 January 1986. That Ordinance amended the Old Age Pensions Ordinance 1952 by widening the scope of the Old Age Pension Management Boards' power to assist persons unable to pay contributions under the provisions of the principal Ordinance, particularly persons pursuing training and further education overseas. There is an outstanding application for assistance for a credit of contributions in respect of a period commencing in 1982 with which the Board has not been able to deal because of the date of which the amendment came into force. The purpose of this Bill is to amend the 1986 Ordinance in such a way that the amendments it made to the principal Ordinance would come into force with effect from 1 January 1982 instead of with effect from 1 January 1986.

I beg to move the second reading of the Bill.

The Bill was read a second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Wireless Telegraphy Bill 1994

The Honourable the Chief Executive:

Your Excellency, I beg to move the second reading of this Bill.

The Attorney General:

Your Excellency, Honourable Members. This Bill is a Bill which perhaps ought to have appeared before this House in 1988. I say that because in that year the Telecommunications Ordinance 1988 was presented to and passed by this House and it had the effect under one of its provisions of repealing the old Wireless Telegraphy Ordinance which was well out of date and needed replacing. It was my oversight that the Bill, really in the form of the present Bill, was not presented to the House in that year. I was prompted that that was the case by the fact that a local entrepreneur has recently been licensed to provide a local television broadcasting service but the statutory authority for doing that would be under a Wireless Telegraphy Ordinance although in due course we may need to consider whether a broadcasting Ordinance is introduced to control certain matters which would ordinarily be controlled in relation to public broadcasting. For that reason, therefore, I have drafted the Bill and commend it to the House. It contains a number of provisions which are necessary in relation to Wireless Telegraphy and Telegraphy licences. It is not intended that the Bill will in any way affect the administration of amateur wireless licences (or amateur radio licences) which I think are the most significant thing in local terms with which the Bill will deal. Although when the Bill is passed, or if it is passed by Honourable Members, I know that the Superintendent of Post and Telecommunications will be looking at the question of fees under the Ordinance in relation to amateur radio licenses.

Your Excellency, I would commend the Bill to the House and will be pleased to attempt to answer any questions which Honourable Members may have in relation to it.

On the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable W R Luxton:

Your Excellency. I would just like to indicate that I would support this Bill and I was pleased to hear that the Postmaster would be looking at the amateur radio fees in due course. I trust they will be reduced somewhat, this Government does absolutely nothing to assist in the field of amateur radio and the licenses are extremely expensive. Two-metre frequencies are used a great deal by Camp people and no doubt a lot of Stanley people in vehicles as a means of keeping in communication, and people with portable sets on horseback and motorbikes. I hope that we shall be able to go for a one off licence for a fee which will remain in force indefinitely and thus encourage or make slightly less onerous the cost of renewing amateur two-metre license fees every year.

The Attorney General:

Your Excellency. I can only respond to that by saying as is always the case in relation to levels of fees under any Ordinance the ultimate control will rest with Honourable Members, who would have to pass any legislation by way of regulations which would set them. They will of course receive representations by the Honourable the Financial Secretary as to what a proper level of fee might be and they will no doubt take that into account and the needs in relation to things other than matters of fees to control Wireless Telegraphy. But those matters are not within my control and they will be matters which would be the subject of regulations in due course and of course as such would be within the control of Honourable Members.

The Bill was then read a second time. In the Committee stage clauses 1-11 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Childrens Bill 1994

On the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Honourable the Chief Executive:

Your Excellency, Honourable Members. The present legislation in this area of care for children is complex and virtually unworkable. It includes a rag bag of Bills and hybrids, most of them originating in the UK. In 1989 in the UK there was a blockbuster of an act known as the Children Act. This Act as it was passed in the UK could not actually work here, it was local authority driven there and it was established in 1992 that we were in an impossible situation if we tried to work it here; and so that particular Act was withdrawn as far as we were concerned and the Attorney General promised to draft specific Falkland Islands legislation to cover this. This legislation is combined in two Bills. The Family Law Reform Bill 1994 which is the first stage and that was passed during this year and this Children Bill is the second stage. In the preparation of this Bill consultations have been held with all those people who have interest in dealing with children here in the Islands and it is of great significance that the Bill itself states that the child's welfare shall be the Court's paramount consideration. It is the welfare of individual children which drives this Bill. It is a simple and clear law to replace a lot of complex legislation and it is dealing with very complex issues.

I beg, Your Excellency, to move the second reading of this Bill.

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. In rising to support this Bill I really wondered when it came to my hands and I saw so many pages of laws and regulations to protect our children today, made me wonder how I survived and how lucky I was in the tangle of legislation that the Chief Executive tells us covered my safety. I often wonder when I'm looking at these Bills why do we need so many words to protect ourselves? How did we manage up until now, but with that said I support the Bill.

The Attorney General:

Your Excellency, if I could perhaps respond to those remarks. I can understand the Honourable Member's sentiments, I can sympathise with him and particularly because I have the drudgery of penning legislation like this. I would not do so if I did not think the legislation was necessary. The Bill would replace, as the Honourable the Chief Executive has mentioned, a mish-mash of existing legislation. It is intended, surprisingly, to simplify the law, complicated though it looks. There are I think six or seven local Ordinances and nine English Acts which are directly affected and would be replaced in whole or in part by this legislation. Why is such legislation necessary at all? It's a question we might address and the answer is this: where children are brought up properly by loving parents and their parents survive so that the children reach adulthood while the parents are alive, and no misadventures, accidents or other things occur to the children caused by the wrongful act of other people, no legislation is necessary at all. The legislation doesn't deal with those situations. Unfortunately, however, as we all know not all marriages are happy. Not all children are capable of being controlled by their parents. Not all parents survive beyond the time, or to the time, where children reach adulthood. To cover those unhappy situations, and other situations which I haven't given by way of example to you, unfortunately we need legislation: we can't invent rules on the spur of the moment as to how to deal with those situations. The reason for that legislation Honourable Members, is because unfortunately life being what it is things go wrong in relation to children and in relation to marriages. For that reason we need legislation. It has to be right, it has to be in the interests of the children and I'm afraid it has to be long

and detailed to cover all the situations. For that I make no apology, I wish I could have made the provision shorter. I wish I could have made the provisions more comprehensible, but what I do assure Honourable Members is that the Bill is a simplification; is a great improvement of what went before and will make situations far more workable in the circumstances of the Falkland Islands.

The Honourable E M Goss MBE:

I thank David for that explanation, that certainly does ease my conscience on supporting this Bill.

The Bill was then read a second time. In the Committee stages parts I, II, III, IV and V and schedules 1-4 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Employment Protection (Amendment) Bill 1994

On the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Attorney General:

Your Excellency, Honourable Members. The reason for the occasion of, this Bill is simply to correct a number of errors which unfortunately appeared in the Employment Protection Ordinance 1988 as enacted, it goes no further than that.

The Bill was read a second time. In the Committee stage clauses 1 and 2 were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Supplementary Appropriation 1994/1995 Bill 1994

The Honourable the Financial Secretary

Your Excellency. The purpose of this Bill is to appropriate and authorise the withdrawal from the Consolidated Fund of additional sums totalling £330,580 for the service of the financial year ending on 30 June 1995. The Bill provides for supplementary expenditure authorised in the first instance to be advanced out of the Contingencies Fund and in effect will restore the balance of the Contingencies Fund to the approved amount of half a million pounds. All supplementary expenditure has been approved by Standing Finance Committee and reported to Executive Council.

I beg to move the second reading of the Bill.

The Bill was then read a second time. In the Committee stage clauses 1 and 2 and the schedule were adopted as part of the Bill. Council resumed. The Bill was then read a third time and passed.

The Licensing Bill 1994

On the Motion that the Bill be read a second time Honourable Members spoke as follows:

The Attorney General:

Your Excellency, Honourable Members. I suppose in a number of respects this Bill is perhaps the most interesting to the public of the Bills which are before you today.

This Bill is a Bill which I have drafted following public consultation some three years ago and following some measure of public consultation within the last two or three months. If enacted it would wholly replace the existing Licensing Ordinance, that is Cap 38 of the Laws of the Falkland Islands 1950 edition. That Ordinance has been amended eleven times since it was first enacted in 1949. Even so, the 1949 Ordinance was a statute which consolidated a rag-bag of measures, some of which had been in force in the Falkland Islands since the 1850's. For that reason I think it's fair to say that the Licensing Ordinance is due for a thorough-going replacement, and this the Bill attempts to achieve. The principal changes that it would make is that licensing functions would be transferred from the Financial Secretary to the Justices of the Peace sitting in the Summary Court. The reason for that is that licensing functions in relation to public houses, shops selling liquor by way of sale and clubs are properly ones which may be dealt with by a Court, rather than being dealt with by the Financial Secretary which really with him there suggests that the importance is in relation to revenue and financial matters, rather than more broad issues of policy in administration of the licensing system. That is no criticism of the Financial Secretary, I think I can fairly say that he is very content to lose the function and indeed anxious to lose the function. Provision would be made by the Bill for the control and permitting by Justices of the Peace of amusements with prizes and gaming machines. Translated into common parlance I suppose you could call those "one armed bandits". You know Honourable Members that there are such machines in public houses, they are in fact technically there unlawfully in a sense that they are contrary to the betting and gaming legislation and to common law. And indeed that there is a prohibition still in place under the Customs Ordinance as to the importation into the Falkland Islands of such machines. The Bill proposes however that such machines can be lawfully upon licensed premises with the consent of the Court. That would be a change in the law. It would appear to be a change in the law which the public would tolerate, certainly that was my experience when I consulted the public three years ago on that and other subjects in relation to licensing. Another change that would be made by the Bill would be that there would be provision for proprietary clubs. We are all familiar with the now defunct Colony Club and with the still thriving Falkland Islands Club which are members clubs; there is no provision under the existing Ordinance in relation to proprietary clubs. Proprietary clubs are simply clubs where the profits are not necessarily shared among the members of the clubs and might go for private purposes. I am aware of at least one set of premises where if this Bill is enacted, the proprietors of such premises will apply to the Court for a Justices Licence by way of proprietary club licence; and the reason for that is not sinister. They have borrowed money for the purposes of building the premises, they wish to exclude the public as a whole from going there and they want to have a club so they've got greater control of those who may go there but they want to apply the profits from the sale of intoxicating liquor towards the payment of the costs of building the premises and indeed the loans they have taken out. In principle you may not think that that is at all objectionable. Another major change which will be made by the Bill is that Public Houses could remain open for the sale and supply of intoxicating liquor all day long on week days, that is from 10 in the morning until 11 o'clock at night and 11.30 on Fridays and Saturdays. There are many detailed matters with which the Bill deals. I will be pleased, if Honourable Members wish, in the Committee stage to explain those and to explain the purpose behind them. In speaking at this stage of the Bill I've explained the main purposes and the main thrust and the main changes which will be made by it, if enacted.

The Honourable Mrs N Edwards:

Yes, I thank the Attorney General for that explanation of the re-hashing of the Licensing Laws. There is one particular part of the law which I feel doesn't address the needs of the

Camp community and that is in part III, Sale and Supply of Intoxicating Liquor in Club Premises 31., (2)(a) "A club shall be qualified to receive a registration certificate for any premises whether in the first instance or by way of renewal only if it is established and conducted in good faith as a club and has not less than 25 members". Now the clubs in the Camp can't come up with 25 members nowadays and also our clubs are social centres where the whole family comes, the children come along, and we take it in turns to serve the drinks over the bar. I read further on in the "Licensing of Club Premises", 40(1). "Any Justices licensed for Club premises which used to be granted for a club shall be taken out or granted in the name of one or more officers of the club nominated for the purpose or by or on behalf of the club". Now I presume that means if we take a licence out on behalf of the club any of us may serve behind the bar but as I've been the recipient of a summons recently because I didn't understand a clause in the Bill, I want to be absolutely certain that when I sell Nigel Knight his glass of rum or whoever, I'm not going to get another summons over the fax, so I would be grateful if the Attorney General could explain those points to me.

The Attorney General:

I take very seriously the points that the Honourable Member has made. There are of course as I've indicated two kinds of club licences - the Members Club and the Proprietary Club Licence. With a Proprietary Club the limit is of five members to apply for a licence and it may well be that in certain circumstances, and I don't know the circumstances of all the social clubs in Camp, that they may prefer to apply for a Proprietary Club Licence rather than a Members Club Licence. And for the very simple reason that those in the settlement who may be a limited number of members may have provided all of the finance for the club for the improvements to it and carried out the work to it and may feel that it is unfair that any profits, nominal profits, have to be shared if they are distributed between all the members of the club. Whereas they may well have members if I give the hypothetical example of a club in Fox Bay - there may be members of the club from all over West Falkland but obviously the members in Fox Bay will have done the work and provided the materials for the maintenance of the premises, painted it, provided the fixtures and fittings and the rest of it. Now I believe that it may well be that the Proprietary Club Licence which is limited which only requires five members would be a much more suitable kind of vehicle for some of the social clubs at least in Camp. However, in case it is not I would be quite prepared for the Members Club qualification to be reduced from twenty five to five members. May I say what the advantage of a Members Club is besides being in effect a co-operative. It is that of course there is no restriction of licensing hours at all. They are subject to the same rules as to the admission of children, as all other licensed premises. And I think there are many mis-understandings as to what the present law is to the admission of children is. My view of it is this and this is under the present Ordinance and it would be, if this Bill is enacted, under this Bill. A child may not - and this is a person under eighteen - except for passing through, be admitted to a bar in licensed premises but the bar doesn't mean the whole of the licensed premises because "bar" is defined; and I'll read to you what the definition is. "Bar includes any place exclusively or mainly used for the sale and consumption of intoxicating liquor." The way that that is usually interpreted in relation to premises is where the liquor is served and in some premises they are so constructed that the premises are divided off which are used exclusively for the service and consumption of intoxicating liquor. I think that it would be perfectly easy in relation to social clubs in Camp to divide them off so that people under eighteen who were not allowed to be present in a bar can nevertheless be present in the social club premises; and I take the same view in relation to other licensed premises. So that what I am suggesting to the Honourable Member is that it ought to be workable to have this Bill in relation to the premises in Camp, but I do take her point in relation to Members Club premises, twenty five is probably too many members and I would suggest that Honourable Members might think that five members would meet the point. With fewer than five members you really ought to be able to form a club.

The Honourable Mrs C W Teggart:

Your Excellency, Honourable Members. I also have a few problems with this Bill - one that Attorney General has touched on very briefly and perhaps I could start with that. It is in fact the Part VII of the Bill, Clause 66. It deals with the protection of persons under eighteen and other provisions as to conduct of licensed premises. In Stanley there are a number of occasions where such things as junior dart tournaments and things of that nature that are held in bars in Stanley. Because of the construction of the bars there isn't necessarily a separate area where these can take place. The same could apply to things like wedding receptions. I also know one particular Landlord because of the layout of his premises, he holds his children's birthday parties in what is the bar during a time when the bar isn't closed and I really feel that the imposition of this will stop these things from happening and I think that that would be very unfortunate. Apart from that there is also on page 50 of the Bill and Clause 43. where it talks about meals being served in the bar and it implies to me and perhaps I've understood this wrongly, but if you are in the bar having a drink then you have twenty minutes drinking up time. If you are in the bar and having a meal then you have thirty minutes drinking up time or you can stay in the bar for thirty minutes after the official closing time. Now I have a few problems with this as well because going back once again to darts competitions and things like this, quite often the case is that you will pay an entry fee to enter a darts competition and you're five pounds or whatever will cover the cost of a meal. Now quite often and possibly most of the people who take part in these competitions don't actually eat the meal. Now does this mean that at the end of the night the Landlord has to remember who decided to avail themselves of the meal and who didn't and for that matter if he's got - and sometimes on a Friday or Saturday night these pubs are really crowded and most of them now do serve bar meals up to 9 o'clock, so we're really expecting the poor Landlord at 11 o'clock or 11.30 at night to remember exactly who or exactly who hasn't been served with a meal. And I have great difficulty with that and I can't help thinking that it would be much easier if we made it the one time right across the board.

The Attorney General:

Your Excellency, Honourable Members. I'll deal with the Honourable Members first point first and that's in relation to clause 66. Clause 66.(1) of the Bill reads "subject to subsection (3) and (4) and to section 67, the holder of a Justices Licence commits an offence if he allows a person under the age of 18 to be in the bar of the licensed premises during the permitted hours." I agree if you have an extension of permitted hours and have a child's birthday party in the bar that can create a problem and we could deal with that problem. And it only really I suggest occurs because of the extension of permitted hours which is proposed by the Bill by adding the amendment: "except if the child is present during a time when no intoxicating liquor is available for sale or supply from the bar in the premises." In other words if you want to shut your bar to hold a birthday party for your children and no intoxicating liquor is being supplied from the bar, fair enough. But I think the difficulty only arises because of the extension of the permitted hours, otherwise I'd say to the Licensee hold your birthday party outside permitted hours during the afternoon when you're not allowed to be open. That's the answer to that one.

As far as the situation in relation to clause 43. and this is the extra half hour for people who take a meal upon licensed premises. I've got some sympathy with that but not entirely with the point that the Honourable Member makes. The reason for that is that if somebody has a meal at 9 o'clock in the evening and at 11 o'clock in the evening says that "this beer I'm about to have is an ancillary to my meal" I think that that is stretching it a bit far. The rule of thumb elsewhere in relation to ancillary to a meal is that it doesn't cover the drinking of any intoxicating liquor which is ordered three quarters of an hour after you have finished eating, because you could technically otherwise say, "Well I had a meal at 6 o'clock in the evening and I'm still in the pub at 11 o'clock at night and this is an ancillary to my meal." I'm quite

prepared however if the Honourable Member really thinks it creates difficulty to see the removal of paragraph (b) of clause 43(1): in which case I would run straight on from the beginning of 43(1) into paragraph (a) and delete the "(a)" in brackets there. The Honourable Member will realise that in relation to premises licensed under a Restaurant Licence which is specifically of course one where meals will be served that the drinking up time is half an hour in a restaurant; and the reason for the provision in clause 43 was to equate the situation in a restaurant where meals are served in pubs where the pub is selling bar meals and not to disadvantage them in relation to persons who are selling bar meals. Normally bar meals should be served of course in a part of the premises set aside for the service of meals and the Honourable Member might think that an alternative way of dealing with the matter would be to require the liquor to be supplied in a part of the premises set aside for the service of meals. My own feeling is however that at clause 43, given any common sense, should not provide practical difficulties because if the Licensee is in any doubt he shouldn't allow the liquor to be drunk after twenty minutes, the ordinary drinking up time. Only when he is certain should he allow somebody to be carrying on drinking for the thirty minutes and then he would be certain they had a meal. "If in doubt don't let them" would be my answer but where he's certain and as the Honourable Member will be aware, there are many occasions where there is a function on licensed premises - there are two licensed premises where there are often functions - and the public as a whole are restricted and only the persons present at those functions are allowed to be present on the premises. And I think it would be a pity to remove perhaps clause (b) there which would be of particular use when there are those functions, but I'll leave it to Honourable Members. I think I've explained the thinking behind it, and Honourable Members may like to take those matters into account as to whether there should be an amendment moved in the Committee stage of the Bill.

The Honourable C W Teggart:

Yes, I just wanted to thank Mr Lang for his explanation there. I feel much happier with that and I'm sure other people will be as well. The explanation about the meals is fine, I think that is perfectly clear. I think there are actually very very few premises in Stanley where they serve meals after about 9 o'clock - I think they've decided by that time they've had enough of cooking for one day and the same actually applies to restaurants but perhaps we had better not go too deeply into that. And I also take on board the point about the Landlord - I would very much like the amendment to be made so that the Landlord could if he wanted to actually close his bar for the time to allow a childrens function to take place and no intoxicating liquor to be sold during that time. Thank you very much.

The Honourable Mrs N Edwards:

I'm sorry to harp on again about the club situation and the Attorney Generals explanation that you can close off the bar section to children is practical in Stanley, it isn't practical in the Camp I don't believe because it's a social centre. It's where we hold our parties, it's where we hold our wedding functions and all the rest of it and speaking from Fox Bay in particular, and I suspect for a lot of other small Camp clubs our comfortable part is surrounding the bar. The other bit is for dancing in and playing snooker and all the rest of it and to close off that area to the children to me defeats the purpose of bringing the community together because it's a social function for families in Camp. It isn't a drinking house and I would dearly like to see that part of the Bill pertaining to clubs in Camp. I think perhaps there needs to be a little bit added to this Bill pertaining to social clubs in Camp to allow children to have the freedom of the whole area whether it be the bar area or the main hall. I don't know what you think about that.

The Attorney General:

Your Excellency, I'm not unsympathetic. The Honourable Member did say that she didn't

want to fall foul of the law. It seems to me from what the Honourable Member is saying that there have been technical breaches at certain social clubs in Camp of the law under the existing Ordinance. May I say that with the greatest of respect to her because there is no change in this Ordinance from the existing law. However having said that I am not unsympathetic, by trying to deal with the situation and I'm not quite sure how like pulling rabbit out of a hat, I can do so but perhaps we can look at doing something about that in relation to part 7 of the Bill. I think the sort of wording I would suggest would be in clause 66 (1), "subject to subsections (3) to (5)". (Now the registered club premises, they are not holders of a Justices Licence but it works because the provisions as to children under the age of 18 are applied to members clubs by other provisions of the Bill). We would then insert a new subsection 5 in clause 66 which would read: "subsection (1) does not apply to premises in Camp exempted from the provisions of that subsection by order of the Licensing Justices." Now that would put the club in Camp in the position of satisfying the Court that it was reasonable that the exemption should be granted. I suggest that sort of wording because, if I put it this way, it doesn't let the baby out with the bath water. I think we do want to have some sort of control and have a look at it in relation to the particular club premises. While I appreciate the need in the circumstances to which the Honourable Members has drawn attention to make special provision, I don't want the special provision to be taken advantage of in circumstances where it really ought not to be.

The Honourable Mrs N Edwards:

Thank you very much David for that. I do understand and I would only point out that whether we have been breaking the law, and obviously we have for years and years and years having children in the bar, it seems to have worked very well. We have a big notice up, we do not serve children under 18, the children all belong to the people who actually use the place and I have never seen this abused at any time and the children mainly want to play games in the other room but it would impinge if we didn't have some kind of laxity on that front. It would impinge upon families who come in for a social evening and have no where to leave their children basically. So thank you for altering or adding subsection 5. Thank you.

The Attorney General:

We will also of course have to re number the existing clauses 66 (5) and (6) so that they become 66.(6) and (7).

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. I had difficulty with the particular problem that Councillor Edwards raised on the twenty five members. North Arm farm would probably maintain that sort of number as a club membership and possibly Goose Green, Hill Cove and Port Howard might but very few others would ever reach that sort of number. And when you talk about membership clubs I wonder where that takes in sheep shearers who come to the farm and come to the club on a Saturday night. They are not members of that club and again on the bigger farms where they have the sports meeting any year perhaps in February. This year it will be at North Arm. Now a lot of people, 100 or more people will come from Stanley and all over to the farm and they will share the club facilities but they will not be members. Does this Bill allow them in as our guests or visitors? Perhaps you could explain that one to me.

The Attorney General:

Well largely it would depend on the rules of the club but if the rules of the club permits bona-fide guests I would imagine you would have the shearers and the people attending a sports meeting in the settlement come into the club as guests of the club. Let me have a look and see

if there is any difficulty in the Bill on that point, I don't think there is but subject to that I believe you will be covered by the guests provision.

The Honourable Mrs S Halford:

I'm not particularly happy with section 11.(1) (3b) (ii) of this Bill. I wonder if the Attorney General could perhaps explain the reasoning behind this, it's a disqualification for receiving a Justices Licence, if the premises are primarily used as a garage or filling station or form part of the premises so used.

The Attorney General:

Yes, I certainly can. There is a feeling that (you can say that it's an unwarranted feeling but it's one that is certainly shared in every country I am aware of) that in no circumstances whatever ought intoxicating liquor be sold at a shop which is part of a filling station or garage because the motorist that goes in while he's picking up his petrol or his part for his car, would buy alcohol. Certainly I think I have been to some fifteen countries where I have been into petrol filling stations and garages, I have never seen any intoxicating liquor alcohol on sale in any of them. At the moment there is only one filling station in Stanley. I can't think there would be any reasonable demand of the public that alcohol should be sold at that filling station but others may have a different view. There are three or four sets of premises which are used as garages (said to be garages), I cannot think that there is any reasonable demand from the public that intoxicating liquor should be sold at those either but the reason as I say is that the feeling that driving a motor car and drinking alcohol don't mix. It's as simple as that.

The Honourable Mrs S Halford:

Yes, thank you for that explanation but I don't actually agree with you. I can see the reasoning behind it for a garage but as you say we only have the one outlet here which is Stanley Services as a filling station. I cannot see the difference between somebody going to Stanley Services to buy fuel or buy something from the shop that they have there in them buying alcohol if it were there, I cannot see what is different from that than them driving to the West Store or one of the other outlets and buying alcohol. If they wish to drink it after they have bought it from the West Store or anywhere they can do so in just the same quantities as if they had been at the filling station and I just find that the filling station piece in here, to me, seems totally unnecessary.

The Attorney General:

Well the Honourable Member will bear in mind that it is not necessarily the case for ever and a day the only filling station will be where the present filling station is and I would certainly worry myself if there were filling stations on the MPA road. People could stop at a filling station on the MPA road and buy alcohol.

The Honourable Mrs C W Teggart:

Could I just add my support to Councillor Halford on this matter. I feel as well that we are being very discriminatory towards Stanley Services here. I think that I might feel differently if it was an all night filling station or something of that nature, but it isn't. It closes at 5 o'clock in the evening and I think the chances of someone going on a binge in their vehicle at that time are fairly remote. I do think that if we ever reach the stage where we have more than the one filling station then perhaps that is an amendment that could be put in to the Bill at the time; and I would have thought that applications to sell liquor of any sort were judged on their merits at the time. And if there was a particularly strong case - if for example there was an all night garage and filling station opened on the MPA road then I would feel that we would be

perfectly entitled or the people concerned to refuse a licence to them to sell liquor. But I like Councillor Halford would like to see this particular piece taken out of the Bill.

The Attorney General:

Well it's a matter entirely for Honourable Members at the Committee stage.

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. I would agree with the two Councillors on my left, Halford and Teggart, that here in the Falklands we don't need this sort of legislation where we have only got one filling station, and I often load my land rover up to the top with beer and booze and take it to Camp and if I could do that at the filling station I would only have one call to make before leaving Stanley, and I'm not so sure that the filling station wants to pay for a licence to sell cartons of beer; and if there are fifteen other countries where the learned Attorney General has been in that have this law then let us be different and not have the restriction on Stanley Services. Thank you.

The Bill was then read a second time. In the Committee stage part I was adopted as part of the Bill.

On the Motion that Part II be adopted as part of the Bill Honourable Members spoke as follows:

The Attorney General:

Well Honourable Members will wish to move I think, or some of them will that Clause 11 (1) paragraph (bb) (ii) be deleted from the Bill which would consequently be amended so that paragraph bb) of clause 11.(1) would not be divided into two parts, and the first part only of it would remain.

Part II as amended was adopted as part of the Bill.

On the Motion that Part III be adopted as part of the Bill Honourable Members spoke as follows:

The Attorney General:

Your Excellency, I think the Honourable Norma Edwards would wish to move that Clause 31 subclause 2 (a) be amended by replacing the words "twenty five" with the words "five".

Part III as amended and Parts IV, V and VI were adopted as part of the Bill.

On the Motion that Part VII be adopted as part of the Bill Honourable Members spoke as follows:

The Attorney General:

Your Excellency. Amendments will need to be moved in light of the discussion on the second reading to Clause 66. I think there are a number of amendments. My recollection is that the beginning of Clause 66 subclause 1 will be amended to read "subject to subsections (3)(5) that there will be inserted a new subclause 5 which - and I'm not sure which wording I used, but I think it was - subsection (1) does not apply to premises in Camp exempted by order of the Licensing Justices from its provisions". In other words the effect of that would be that the Licensing Justices in the Summary Court could make an Order if they saw fit exempting

premises in Camp from the provisions of subsection (1). Then there will need to be another provision in relation to subclause (1) and I think I suggested earlier on that the amendment should be tacked on to subclause (1). I now think that it may be preferable to do that by tacking onto the new (5) by saying "nor shall subsection (1) apply in respect of any premises at any time when they are closed for the sale and supply of intoxicating liquor". So that would go into subclause (5).

This amendment was then passed.

The Attorney General:

Then Sir, there is a consequential amendment which no doubt Honourable Members will agree to that the pre-existing 66(5) and (6) become 66 subclause (6) and (7).

Part VII as amended was then adopted as part of the Bill.

On the Motion that Part VIII be adopted as part of the Bill Honourable Members spoke as follows:

The Honourable W R Luxton:

Your Excellency. Part 8 is in fact entitled Part 7, there is a misprint there and I think there's another one over the page. In paragraph 89 of Part 8 where it says "intoxicating liquor may without the authority of a Justice Licence be sold or supplied at any time abroad any ship".

The Attorney General:

I'm obliged to the Honourable Member. I hadn't spotted it, he is perfectly correct. The cross heading before Clause 84 should be amended to read "Part VIII" and Clause 89 paragraph (a) second line, the word "abroad" should be amended to read the word "aboard".

Part VIII as amended was adopted as part of the Bill.

On the Motion that schedules 1-6 stand part of the Bill Honourable Members spoke as follows:

The Honourable the Financial Secretary:

Your Excellency. I just thought that I should mention here that under schedule 3 where it outlines the Court Fees that are payable. At Executive Council when the Bill was considered it was thought that all the Fees were reasonable other than those at numbers 9 and 10. They thought they might be a bit excessive and I thought I would just bring it to Members attention in case they had forgotten about it, whether they want to propose any amendments to them but I'm quite happy to keep them as they are but I thought I should be honest about it.

The Attorney General:

If Honourable Members are minded to amend those fees then of course I have no objection at all but it seems to me that they might like to bear in mind that those Fees are capable of alteration by regulations under the Bill if enacted, and if they want further consideration to be given to those Fees then they can safely do so and ask Executive Council to consider those Fees and if appropriate make amending regulations.

The Financial Secretary:

It was other than 9 and 10 I think. Generally Honourable Members were content with them. I would propose that unless it should be discussed at Executive Council again I would propose that 9 and 10 be amended down to £5 and £10 and this would be reasonable.

Schedules 1-6 were adopted as amended as part of the Bill. The Bill was then read a third time and passed.

MOTION FOR ADJOURNMENT

The Honourable the Chief Executive:

Your Excellency, I beg to move that this House stands adjourned sine die.

The President:

The Motion is that this House stands adjourned sine die. Does any Honourable Member wish to speak to the Motion?

The Honourable Mrs N Edwards:

Sir, I haven't a lot to say today. It amazes me we've had an abundance of Bills which we've just passed. It must say something about us - we've spent the best part of an hour discussing the Licensing Laws and passed the Child Protection Law in very few minutes. Perhaps it doesn't say too many good things about us or perhaps it says that the Child Protection Bill was so clearly understood that we passed it quickly and the Licensing Bill was a bit confusing.

It was mentioned today and this was for the information of the people in the Camp that there will be a review of freight rates shortly and I want to assure my constituents in Camp that there is no way I will be supportive. Should it happen I would only support a reduction in freight rates and not an increase in freight rates to the Camp. At present, particularly on the West it's cheaper to import freight from UK to Stanley than it is from Stanley to the West and the thought of a mere suggestion of raising the freight rates is appalling. However, I hope that doesn't happen.

Every time I come to Stanley, I see a lady who lives on St Mary's Walk and has for some considerable time now and the question is, "When am I going to get my fence and steps at the back?" Now bearing in mind that these people are all elderly people can I make an appeal here for PWD to get on with that little job. It's not a very big job and they've been assured time and again that they are going to have a fence at the back and some steps and some of these people are too elderly to get up to their ash drums so some steps would help and would cost government very little I think.

Shortly, next month in fact, there will be a report on the needs of the elderly coming to Council and I hope that when it does come, Councillors read it carefully and will agree largely with what is written in that report. There is a need for more sheltered accommodation and there will be a need in the future for a small nursing home and we tend to forget the needs of the elderly sometimes I think. They soldier on and don't complain too much but if we are going to provide for our elderly in the future I hope when this report does come to Council it will be studied carefully and acted upon in due course.

Sir, I wish Stanley all the best with their 150th anniversary celebrations of the move from Port Louis when it happens. I'm sorry I won't be here to join in the celebrations and I support the Motion for Adjournment.

The Honourable Mrs C W Teggart:

Your Excellency, Honourable Members. I also don't have a lot to say and most of what I do have to say actually is on one subject which I'm sure a lot of people are going to find quite boring.

I've been quite intrigued to realise over the last couple of weeks that the possibility that dogs could be banned from being on Surf Bay has stirred up more public feeling than the oil legislation or a lot of other seemingly more important things that have gone before. The withdrawal of the Dogs (Amendment) Bill today prevented me from really introducing an amendment that I had in mind to that Bill. Not specifically for the purpose of banning dogs from going to Surf Bay but giving us the power if at some time in the future we deemed it necessary to stop dogs going to specified areas; and areas that spring to mind are children's playing fields in town where you quite often see dogs fouling the areas where our small children play and also if it was necessary Surf Bay beach. I feel rather strongly that we only have the one beach in town where people can go for recreation purposes. There are other beaches, Christina Bay for instance which is a bit further afield and it's really a little bit too far for the children to go by themselves and Surf Bay for that reason is one of the most popular beaches. We have over one and a half thousand people in Stanley of whom fifty are dog owners and between them they own in the region of one hundred dogs. I find it rather sad that we have so many complaints that people feel that the minority - and a very small minority of dog owners - are not keeping their animals under control on that beach and are spoiling it. Not only for the other beach users but also for the other dog owners who do keep their animals under control and I do have some sympathy with the people who control their animals very well and they feel very much aggrieved because they are being held to task over this. I think it would be very sad if we reached the stage when we had to ban dogs from the beach but it will be another six months before we have another Legislative Council meeting. I don't know if the Dogs (Amendment) Bill will come to that or not or if in the meantime it will become necessary for us to think of some other form of restriction. But I hope that in the intervening time that dog owners will take it to heart that although nothing has happened about dogs today it is still in my mind that perhaps in the future it should. Although I have often said that I think that perhaps it's a case of a compromise being reached I would like to think that over the next few months the dog owners will also along with members of the public reach that compromise without it being necessary for us to pass legislation. Because I think that's a very sad state of affairs when a small number of us can't have respect for other people's right to enjoy the small number of the facilities that we have left since 1982.

On another subject some Members might remember back in May after the Budget Session when we had the talk on the possibility of taxing family allowances. And I remember saying in November when this Bill came to Legislative Council that I would very much oppose it. I was delighted therefore when I received my Executive Council papers last week to find that the Financial Secretary, quite out of character I must say, decided that they shouldn't be taxed but I was delighted with that and was really pleased yesterday to agree with his recommendation in Council that they shouldn't be taxed. After all some years ago before family allowances were allowed tax free it was possible to claim for a dependent child on your tax and this was taken away; and I think that taxing family allowances is something that we don't need to get into. The Colony is not that broke yet and I hope it won't be in the future.

Looking to the future of course as Norma said we have the 150th anniversary celebrations to look forward to. I'm particularly looking forward to that. I just hope the weather is kind to us - perhaps not quite as warm as it was on Remembrance Sunday when I noticed that quite a number of the children who were on parade were sort of crumpling on their feet and I must admit I felt very sorry for them. It was a very hot day and I'm not sure what the answer is but perhaps we can sit them on the grass in future years if it's hot and they won't fall down.

Coming up in the future of course we also have an election to look forward to in December. I think it's going to be a very interesting by-election. I don't think that there's probably an outright favourite in it and while it isn't sort of the remit of this Council to offer advice to any of the electorate I think that one thing I will bear in mind when I'm voting is that the person who we need is someone who we can send abroad to represent the Falklands. I'm sure that any number of them will fill that purpose admirably but I think that we are getting more and more into the international scene and that is something that we must bear in mind.

I have very little else to say. I think that the four MP's currently on their visit in the Falklands are probably enjoying themselves. I certainly hope they are and that they will take back good memories of the Falklands and the people that they have met here. And I'm sure everybody has made them very welcome.

Sir, I support the Motion for Adjournment.

The Honourable Mrs S Halford:

Your Excellency, Honourable Members. In rising to support the Motion I actually have very little to say but like Councillor Teggart I too would like to touch upon the "doggie" situation. I've been inundated I suppose with a lot of calls about dogs but I think one thing this whole debate, or certainly the correspondence in Penguin News has brought to light is that are we really going to make the animals suffer yet again. We had this saga over were the horses allowed to eat grass. Now we have are the dogs allowed to run on the beach? I do think that the dog owners should take heed and perhaps control their dogs where necessary; but on the other hand I think us humans should also take the point and take away our litter that we are scattering around the beaches. If we look around certainly the Stanley area since 1982, EOD have done their best to clear mines but we have done absolutely nothing to clear the rubbish and this is still widely scattered. So, therefore, I think really we shouldn't just take it out on the animals, I think we have really got to look at home and start behaving ourselves before we start penalising the dogs.

On the 150th I know today we have passed various legislation here and one thing we can't do an awful lot about is the weather but perhaps the Canon who is here could say something on our behalf and I'm sure he's nearer to sorting that out than we are.

Sir, I support the Motion.

The Honourable W R Luxton:

Your Excellency, Honourable Members.

I don't think anybody who remembers the saga of the horses on the peninsula should be surprised that the furore that's been created by the suggestion that dogs should be banned. Personally, I'm delighted that the Dogs Bill has fallen by the wayside, I hope it stays that way. I was very unhappy with it and had intended to oppose it. We have legislation on the books already which isn't enforced in many fields but that one in particular.

I didn't for personal reasons, have an opportunity to comment on this matter at the last meeting of Legislative Council because I wasn't here, but there was a recent prosecution of one of my constituents which I considered to be absolutely disgraceful. This was followed by a well publicised one recently in which my understanding is that the offences under the Hydatid Ordinance were dropped, and there has been comment in the Penguin News that something stinks. I hope that people involved will take note of that and it's a feeling shared by a large number of people. In the case of the other one of my constituents that was prosecuted

it almost seemed to me like a malicious prosecution. In my opinion it was totally unjustified, technically he had broken the law. His inclination I know was to plead not guilty and fight it and I believe he was told that it would be better for him if he pleaded guilty because if he didn't get away with it they would throw the book at him; and so in my opinion that isn't justice in that you had somebody who was in the end - despite his inclination - compelled to plead guilty because he simply couldn't afford the risk of being found guilty had he made the opposite plea. It could have cost him a fortune with witnesses, costs and so on so in that case he was fined and as I said I didn't have an opportunity to make public representation about that at the last meeting. That particular case put in the light of the last one I think who is creating a great deal of unhappiness. There are a large number of cases where prosecutions might have been brought and they hadn't and the whole situation is very unsatisfactorily.

In a similar vein, I understand - and I'm not sure whether it's been imposed or it's proposed that it should be so - that there be a 30 mph on the MPA road on the stone sections. Again I consider this to be absolutely ridiculous. It's the people who exceed the present speed limit who are a danger to themselves and others and that isn't being enforced. I've been trundling along there at the regulation 40 mph and I've been passed at a vehicle going nearly double my speed. Those are the people that are a menace and the present law isn't enforced and it's well known that some people drive like maniacs on that road. Fellow Councillors will be aware of one who is no longer with us, when on one particular occasion other Councillors actually refused to go out to MPA with him. So, I think the law should remain as it is and the present speed limit should be more rigorously enforced.

I agree with my Honourable friend from Fox Bay on the subject of freight rates. It appalls me that they would be increased. The West Falkland and the other offshore islands are at a very serious disadvantage now. As Norma said, speaking for myself we can freight cargo from the UK to Stanley now for £40 a cubic metre. It costs us £40.10 to ship it from Stanley to Chartres which I think puts it in perspective and of course sea ports and other islands, it's even more expensive. I believe it can go up to nearly £50 a cubic metre so those people simply cannot afford to swallow a hike in those rates which of course doesn't apply to the majority of people on East Falkland who can cart their stuff overland. And that is going to increase with the spreading road system which leads me to the last point I would like to make - the West Roads Contract.

A lot of us and a lot outside this Chamber in the Transport Committee went to a great deal of trouble to look at the systems of construction and make recommendations at which the Public Works Department Senior Officers were present. We put recommendations to Executive Council with the agreement of all Members of this Council and Executive Council agreed to those recommendations. It is now my understanding having just got back that these recommendations have not been implemented and the contract wasn't drawn up in the way it was supposed to have been drawn up, due I think to a loosely worded minute from Executive Council. I find that extremely annoying, all of us want to see the most buying for our bucks or road for our money and we think that we've arrived at the best system, and we've observed the way things have been done elsewhere, how they've withstood traffic and we think that the expensive methods of construction that are recommended by some of the Public Works Department Officials are not necessary. The methods of construction have been amended very substantially over the years. If you look at the start of the North Camp Road when huge amounts of material were being removed and filled in again, that was very expensive and it's proved to be totally unnecessary. So I hope the Administration, the Chief Executive will take note of this and make sure that the wishes of Councillors are implemented in future.

I too wish Stanley well on it's 150th anniversary and I look forward to the celebrations and do hope the weather is fine.

Thank you Sir, I support the Motion.

The Honourable R J Stevens:

Your Excellency, Honourable Members. I'm also going to say that I haven't got much to say but I mean it.

Going back to one of the questions I asked my sarcasm might have been missed when I suggested that ordinary people, working people in Camp, would be delighted with their wages. I know they are not, I don't know the answer but in front of me I've got the 1992 SOA Agreement and at the top of page one it's got "Managerial" - and I won't give a figure - it's less than £400 a month and a skilled agricultural worker is £350 something. It wouldn't take any Member of Mensa long to calculate whose wages are closer to the SOA Agreement.

Moving on to another one of the questions that I asked, and perhaps I'm hammering away and at a question which bores some Members but I'm sure it doesn't. The people that are affected by the very poor phones, that VHF users have in Camp and one of the pieces in this Agreement that was signed in 1988 tells us - if I can find it - that the parties have agreed that "the Camp telecommunications system should be completed and ready to put into public service not later than 31 December 1989 but that if the date is not - for any reason achieved - so soon as possible after that date on which the Stanley telecommunications system is complete and ready to go into public service". Another piece of this document that was signed by Lewis Clifton who was our Falkland Island Representative at the time and another gentleman - I can't read his writing - who signed on behalf of Cable and Wireless, the Government and the Company's shall from time to time and often as may be necessary shall consult together so as to ensure that the development objectives of the Government are known to the Company. Being on that Committee it doesn't really happen, certainly when I would like it. We go on to other bits that VHF users, well perhaps they wouldn't laugh because you know after five years they are getting very fed up. And part of it says to offer to subscribers in Camp the similar services and facilities to those offered by the Company to subscribers in Stanley and it is intended that in addition to national telephone service and a few other things, the service offered Camp subscribers will extend to national which is possible and international fax services which as any VHF user will tell any Honourable Member is quite difficult unless you are fairly fortunate and have one of the better VHF locations. I think those pieces of this document emphasise that something needs to be done and I'm sure that most VHF subscribers would back up what I am saying.

I think one of the important things that happened this afternoon in the Legislation on Licensing was with the Camp social clubs and social gatherings. For years obviously we have been breaking these rules but it is nice to think that this kind of thing - this part of Falkland Camp life - can continue and we can have weddings, sports and everything else and children can be part of this gathering.

Freight rates have been mentioned and I think in the long term we can do more than ask for freight rates to be reduced. We can actually do something about it and I believe that the West as I've said here before, should have a deep water port and then the Islands could have some kind of priority with helping them to put them on par with the East and the West mainland.

Sir, I support the Motion for Adjournment.

The Honourable E M Goss MBE:

Your Excellency, Honourable Members. In rising to support the Motion for Adjournment I have no wish to get into a dog fight but I do applaud all those people who take the time to move their dogs out of Stanley to take them down to "poo" in the tide, rather than those people I deplore who go sneakily out onto the playing fields at night to walk their dogs. I just

hope they slip in one and fall in another and they might learn their lesson. I would like to go down to Surf Bay beach but go a bit further out to sea.

We have recently had a very successful fishing licensing round and we've got a very healthy financial position and only this morning at another meeting the Financial Secretary was rubbing his hands on proposed or expected fishing revenues. But I would like to pay tribute to those hardy souls who earn their living on the high seas on our sometimes very stormy high seas like it must have been on the afternoon and evening of Sunday 20 November, when the winds went from 15 or 20 knots up to 50, 60, 63 I think was the highest they reached but I have no envy for those boys who are out there earning our pay; their pay and ours and I would like to pay tribute to the sailors that earn our revenues for us. And also for the military boys who are up on the mountain tops in those drafty conditions. I guess it's not much fun for them up there either when the winds reach such horrendous strengths and the cold but they have fairly comfortable cabins but they have to move from place to place in the open from time to time, so I must pay tribute to them as well.

And whilst on the theme of storms, I hope the Councillor looking after Wrecks and Hulks has observed the damage to Charles Cooper's roof.

(Councillor Edwards interjected in the affirmative and added that an assessment of the damage would be taken later that day).

Sir, I support the Motion for Adjournment.

The Commander British Forces:

Your Excellency, Honourable Members. I shall be very brief.

I want to make three quick points. First of all I would like to thank Councillor Goss for his very kind words about the mountain top sites and I shall be very pleased to pass them on to the people concerned. The second point - I just want to harp back very briefly to the legislation on Licensing that Councillors' have just passed: you will recall I'm sure that under section 11 - but my memory may not have served me correctly - that the garrison is specifically exempt from the provisions of that Licensing Bill. May I reassure Honourable Members that in fact I have recently issued instructions to ensure that we do in fact accord with every provision of that Bill, regardless.

And finally, can I just pass on a message from Major Felix Spender who many of you may remember was the Commanding Officer of "A" Company 1 Royal Irish Regiment - now he was a member of the Reinforced Infantry Company at MPA from July of this year until the end of last month and probably because of an appealing combination of Irish charm and good manners they were given a particularly warm reception by Islanders both here in Stanley and out in the settlements. Felix would very much like me to say a very big thank you to you for making their stay so enjoyable and rewarding by virtue of the reception they were given and the amenities and facilities made available to them. They were all very appreciative. Most of the Company is now back in Cyprus although the TA lads have of course gone back to take up their civilian lives again in Northern Ireland. Felix himself is just about to start a two year tour in Canada at the British Army Training Base at Suffield, Alberta.

Your Excellency, I should like to support the Motion for Adjournment.

The Honourable the Financial Secretary:

Your Excellency, Honourable Members.

I can advise Honourable Members that a review of coastal freight rates does not necessarily mean that it will lead to a proposal for an increase. If Councillors do not want the review then it's an exercise that will not be pursued, we've got many other things to do.

With regard to the exemption from tax to family allowances mentioned by Councillor Teggart. I can advise that it was not entirely my idea and that to a certain extent I was influenced by the Income Tax Officer's views and calculations in reaching my recommendations. I don't know whether it makes any difference that she happens to be a mother of two children.

When I was rubbing my hands this morning I don't know whether it was because of the amount of money but it may have been something to do with the climate. But it certainly wouldn't be the case in here this afternoon, it's a bit warmer in here.

As well as paying tribute to the fisherman for their contribution to the economy I think that probably the main tribute needs to go to those people whose diet includes the vast amount of seafood fished in these waters.

Your Excellency, I support the Motion for Adjournment.

The Honourable the Chief Executive:

Your Excellency, Honourable Members. I don't know whether I'll be brief or not, we'll find out as I go on.

I think it's incumbent of me to comment a little bit, and only a little bit, on what everybody has said if I may.

I note what Councillor Edwards said about the Public Works Department not having done a fence and a step in St Mary's Walk and I will look into that. That will be added to that list which I shall be talking to PWD about in the near future. I also think that the Councillor was very poignant in raising the needs of the elderly. This was something I mentioned in my speech introducing the Oil Bill and I think that's only the second time that oil has been mentioned today, which is a very refreshing thing to attend a meeting when it's mentioned so little. But in the society we are now living I think the elderly sometimes are neglected because we look to the future and we look to the young and it is very important to balance these things. And I know that we will look into it very carefully at the next ExCo, the proposals that are coming up there and are quite detailed and I think quite radical.

Councillor Teggart introduced the subject of dogs on Surf Bay which I don't really know why the Bill was withdrawn, and that's why I couldn't really comment on it but it was. It wasn't I'm quite sure because of this matter of dogs on Surf Bay but it is strange isn't it? I'm sure if we had actually discussed that matter that the interest of the public would have gone something like this in the league table: dogs, then licensing, then children. And maybe that's an interesting comment and maybe it is the right way round but it seems to be slightly odd.

The family allowance and tax I think is an interesting debate and interesting that we shouldn't be taxing family allowance. I'm sure we shouldn't but the reason that family allowances were I'm sure invented originally was nothing to do with supporting childrens upbringing in financial terms, it was encouraging people to actually have children. And here it is a matter which is of quite a lot of importance to us that in fact we do replenish the population and more

than that that the population grows. And therefore I am very pleased we are not taxing family allowance.

I actually have no comment on what Councillor Halford said which I'm sure is quite unusual and will never happen again. Councillor Luxton's comments on the MPA road - I have a lot of sympathy with some of the thing that he said and as he knows a study is going to be done looking at the performance of the MPA road in every aspect and the technical performance of the different surfaces and the sub-structure and indeed analysing the accidents. What has happened there, who has it happened to and why has it happened? And in the light of that we will be coming back to ExCo with a report which I hope outlines some very cogent proposals.

The rather sensitive issue of the West Road Contract - I think I ought to comment on that. At the moment as Councillor Luxton knows we are dealing with that issue. But when we do deal with it and we do have a new idea for dealing with it we still come back to the issue that different views as to how the road should be built. And it reminds me actually of when I was young there used to be a cricket match played every year - gentleman against players - in the UK and of course the gentleman were the amateurs and the players were the professionals and you couldn't actually predict that the professionals would beat the amateurs - in fact often the gentleman beat the players and I think we are going to have to look into this very carefully and decide what exactly is, technically and practically the right way to build roads in that particular territory. And the fundamental thing is that once that is agreed it has to be set, in dare I say it stone, so that that is actually what is done and it is done properly to everybody's benefit. So that is what we will be doing and I don't know whether gentleman or players will win but there will be a proper and tangible contract that will be adhered to by the persons building the road to everybody's benefit.

I share Councillor Stevens concern about wages in Camp but I think this is the kind of thing which is raised quite often and it is a sad fact that in the position of law makers and executives that we find on the one hand we want to share prosperity and we want people to be paid good wages, but it doesn't take much to have to pull in our horns and say farms are losing money and we must cut this and we must cut that. And it's always a balancing act and it's always an attempt to be fair with people and to make sure that some are not disadvantaged at the expense of others. But it is a fact of life which we to often forget that you don't get "owt for nowt" and in the UK at the moment they are learning that and we are in the privileged position at this moment here but I have to say that we have to look at all these things very carefully to make sure we get value for money. But I do agree that the wages that you mentioned Councillor did seem very very poor and it is something that must be looked into.

As far as VHF is concerned all I can say is that I reassure you we will push this along but the answer I gave you earlier on I think was quite correct. The ideals that were expressed in the Licence Agreement were not necessarily reflected in the actual contract because technically that was not what was agreed to. Nevertheless those ideals remain and we will attempt to insure that people in Camp have as good a service, in terms of their communication, as the people in Stanley. You know you have I think, these days, the right here to expect a fax machine to work and we will make sure as quickly as we can that that is done as economically as we can.

All I remember about what Councillor Goss said was some rather graphic descriptions which I don't think I will comment any further on. And that the Commander British Forces was indeed brief which was exceptional.

Finally I would say - and I did think that they might be here at this time - the four Members from another House some distance away, and although it wouldn't be right to address them - indeed as they are not here I can't - but it wouldn't be an unknown technique in Westminster to actually address the public from the floor of the House. But I'm sure I speak for everyone

in the Islands when I say that we are grateful for the overwhelming support of the great number of Members of Parliament in the UK over the last fourteen years. And that is something I have picked up since I've been here but I'm sure everyone in the UK is aware of that. We're very grateful for that but in saying that I think we're also looking to the future and we are looking for that support from those Members of Parliament to be continued unwavering in future months.

And having said that Your Excellency, I propose the Motion for Adjournment.

His Excellency the Governor:

Thank you very much. Can I just comment briefly on some of points raised.

I did welcome the comments on what candidates in the by-election are letting themselves in for. I think perhaps Councillors were too modest in that they said nothing about the amount of sheer work that Councillors have to take on and perhaps naturally a lot of this falls on Stanley Councillors and a lot will fall on the newly elected Councillor for Stanley. And he or she should be aware that there is a lot to do, that yes they represent the Falkland Islands - not just in the United Nations but at ceremonies in Stanley and at public occasions and so on. There is the work of LegCo, of ExCo and of Committees and it is - as you know better than I do - no easy ride being a Councillor.

Can I conclude by referring to Stanley 150 which several Councillors have mentioned. This is deliberately a low profile celebration. I had hoped we would get by without coming to Council for funds at all but in the event we needed a sum of money to bring down some visitors from the UK. The Chief Royal Engineer General Sir John Stibbon and his wife, Charles Lowndes from SSVC, who is a direct descendent of Governor Moody and Dr Ron Hill, a noted British marathon runner who will be taking part in the Port Louis Challenge. Could I also pay tribute to the Committee who have worked on this, I hope all will go well. Can I pay particular tribute to the band of the Royal Marines who will be coming down and I've counted five occasions on which they will be playing in Stanley: Battle Day - the morning; Battle Day Beating the Retreat at the School; Battle Day - the dance in the evening; the Old Time Music Hall; and background to the old people's tea. So we're really getting tremendous support from the Royal Marines as always in the history of this Colony, and I'm sure that people will want to give their thanks to them. And I just hope that everyone will come to the various occasions and celebrate because that's what it is all about.

Thank you very much. I say the House stands adjourned accordingly.

Confirmed this 30th day of March 1995

[Signature]
GOVERNOR.